Guide to the
Flow of Funds Accounts

Volume 1

Board of Governors of the Federal Reserve System
Guide to the
Flow of Funds Accounts

Volume 1
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<td>1010</td>
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<td>F.230</td>
<td>Identified Miscellaneous Financial Claims, Part I</td>
<td>1024</td>
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<td>Identified Miscellaneous Financial Claims, Part II</td>
<td>1050</td>
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<td>F.232</td>
<td>Unidentified Miscellaneous Financial Claims</td>
<td>1062</td>
</tr>
</tbody>
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Foreword

Work on the flow of funds accounts at the Board of Governors of the Federal Reserve System dates back to 1947. The Board’s first publication of the accounts, with annual data, was in 1955, and the first set of accounts with quarterly data appeared in the August 1959 Federal Reserve Bulletin. From the beginning, the emphasis has been on providing statements of total sources of funds flowing to economic sectors and the sectors’ uses of funds. The flow of funds accounts have also been tied closely to the national income and product accounts, published by the Bureau of Economic Analysis in the U.S. Department of Commerce. The structure of the flow of funds accounts has evolved to reflect innovations in financial instruments and the emergence of new institutions. Some sources of information that were used earlier are no longer available, while new sources of data have been developed to maintain the usefulness of the accounts.

The development of the accounts and improvements to the underlying data continue to be important objectives of the Board of Governors. This Guide, a thorough update of the first Guide, which was published in 1993, provides a snapshot of the sources and methods used to produce the accounts in December 1998. It documents in great detail the full range of information that lies behind the sector and instrument tables in the Board’s flow of funds publications. The first edition of the Guide evidently proved to be a valuable resource for users of the accounts within the Federal Reserve System and around the world, and we trust that this updated version will be equally useful.

Elizabeth M. Fogler again coordinated the project, developed the software and text files, and prepared most of the contents of the Guide. Susan Hume McIntosh, who has contributed significantly to the production of the flow of funds accounts in recent years, also contributed her expertise on the accounts to the Guide, as did Rochelle L. Antoniewicz, Peter J. Brady, Julia Lynn Coronado, Sarah A. Holden, Maria G. Perozek, and Robert L. Rewald. William M. Ampeh, Thomas O. Kelley, Susan E. Monroe, Jennifer M. Scherschel, John S. Schneider, Jennifer L. Sharp, and Mark D. Torres provided technical support. Sherrell E. Varner served as principal editor; additional editorial services were provided by Gregg Forte, Gwenavere G. White, and E. Christopher Greene. Shirley M. Brown, Amie I. Harrison, Dorothy C. Jensik, and Bernadette L. Watson proofread the manuscript. This volume maintains the design features developed for the first edition by Barry E. Huber and Anita M. Bennett, with updates by Cynthia M. Guin, Eugene J. Nash, Jewell A. Pradier, and Charlene M. Perkey typeset the book. The project was carried out under the direction of the chief of the Flow of Funds Section, Albert M. Teplin.

Michael J. Prell, Director
Division of Research
and Statistics

January 2000
Washington, D.C.
Part 1
Introduction to the Guide and
Description of the Flow of Funds Accounts
Introduction

This publication is an updated and revised edition of the first Guide to the Flow of Funds Accounts, which was published in June 1993. Like its predecessor, this Guide explains the principles underlying the flow of funds accounts and describes how the accounts are constructed. It lists each series shown in the summary, sector, instrument, and discrepancy flow tables in the Federal Reserve Board's quarterly Z.1 statistical release, "Flow of Funds Accounts of the United States," and the procedures for deriving the series from source material. The sources and procedures described here are those used to produce the December 11, 1998, Z.1 release.

Although the basic structure of the flow of funds accounts remains stable, the accounts are altered as sources, procedures, and terminology change over time. They are also modified as staff members of the Flow of Funds Section, the unit within the Federal Reserve Board that produces the accounts, develop ways to improve the accounts' accuracy and their usefulness for policy and research. This edition of the Guide incorporates numerous changes to the accounts since the first Guide was published, including the addition of several new sectors and the clarification of terms to conform better to international and business usage.

The tables in the Z.1 release and in this Guide appear in a slightly different order than they do in the 1993 version, in some cases because of space considerations and in others because the view of the nature of the category has changed (an example is the placement of the tables for government-sponsored enterprises and federally related mortgage pools among financial institutions rather than with the government sectors). Another change is that what were formerly referred to as "transaction" categories are now called "instrument" categories.

In the years since the first Guide was issued, two flow of funds publications have been discontinued: "Flow of Funds Summary Statistics" (the Z.7 release) and "Balance Sheets for the U.S. Economy" (the C.9 release). The tables and explanations that appeared in the Z.7 release, however, have been incorporated into the Z.1, as have several tables from the C.9 release—balance sheets and reconciliation tables for the households and nonprofit organizations sector and the nonfarm nonfinancial corporate business sector.

Organization of the Guide

The Guide is in two volumes. The first volume is in two parts: Part 1 gives a general description of the flow of funds accounting framework, and part 2 gives details on the construction of the summary, discrepancy, and sector tables and data series that make up the accounts. The second volume is a continuation of part 2; it presents the same details for the instrument tables in the accounts.

Part 1: Description of the accounts

An important purpose of part 1 is to explain the concepts underlying the accounts and the relationship of the flow of funds accounts to the national income and product accounts (NIPA), which are published by the Bureau of Economic Analysis (BEA). Part 1 also describes other aspects of the flow of funds accounts, including the organization of the accounts into sectors and instrument categories, the characteristics and analytical uses of...
the data, and the relationship between the credit magnitudes in the accounts and the domestic nonfinancial debt aggregate. Also explained in part 1 are the techniques used to seasonally adjust the data, to create quarterly estimates from annual data, and to extrapolate the data when figures for the current quarter are not yet available.

Part 2: Derivation of the accounts

Part 2 of the Guide consists of seventy-six descriptive tables—forty-three summary, discrepancy, and sector tables in the first volume and thirty-three instrument tables in the second—that give details on nonfinancial aggregates from the NIPA, sources and uses of funds for sectors in the U.S. economy, and transactions that are carried out through various types of financial instruments. Each descriptive table corresponds to a table of seasonally adjusted flows in the Z.1 statistical release and contains an explanation of the data that make up the Z.1 table, showing how each series is derived (if it is a combination of other series) or where the data are obtained (if the series is a direct input). Except for certain tables—several of the summary tables at the beginning of the release, the tables that combine other tables, the two tables that show sector and instrument discrepancies, and the table for the households and nonprofit organizations sector—the descriptive tables do not refer to the other tables and so can be used independently of them. Preceding the descriptive tables in part 2 are a list of the sources of the data used in the accounts, a list of abbreviations used in the explanations, and information on the numerical codes that identify individual data series.

In the accounts, the economy is divided into thirty sectors, such as households and nonprofit organizations, federally related mortgage pools, and life insurance companies. In addition, there are two "summary" sectors—one for totals for the three business sectors and another for the totals for the four commercial banking sectors. Tables of flows and of levels (or outstanding values) are prepared for each sector. Likewise, the accounts classify financial transactions by type of instrument, such as demand deposits, corporate bonds, and U.S. government securities; flows and levels tables are also prepared for each instrument category. Summary tables, which variously cut across the sector and instrument accounts and provide detail on nonfinancial aggregates, are numbered 1 through 9; sector tables are numbered 100 through 131, and instrument tables, 200 through 232. Tables summarizing sector and instrument discrepancies are numbered 10 and 11 respectively. Data shown in the discrepancy tables, for proprietors' equity in noncorporate business, and in the summary tables that present information derived from the NIPA exist only as flows, so there are no corresponding levels tables for those particular tables.

Most of the explanations for the flow tables are also applicable to the corresponding levels tables included in the Z.1 release. Therefore, these volumes can also serve as a guide to almost all the entries in the levels tables; however, the flow tables contain some series that exist only as flows or are estimated differently from the corresponding levels series.

The tables in part 2 explain the derivation of the flow tables that were published in the Z.1 release dated December 11, 1998; the dollar values in the tables are 1997 annual data that were reported in the December 1998 release. (Although the data shown in the tables are for the entire year of 1997, the explanations describe the preparation of quarterly values for the various series because the Z.1 release is a quarterly publication.) Preceding each table in part 2 is a description of the sector or type of instrument that is the subject of that table. Most of the tables contain a complete explanation of each data series, with occasional references to series appearing in other tables.

To find the derivation of a particular line in one of the Z.1 flow tables, locate its line number in the corresponding table in part 2. In some instances, the name of the series in the part 2 table matches that in the Z.1 release; in

1. The domestic nonfinancial debt aggregate is a monthly series monitored by the Federal Open Market Committee, the body of the Federal Reserve System responsible for monetary policy. The domestic nonfinancial debt aggregate is published in the Federal Reserve Board's weekly H.6 statistical release, "Money Stock and Debt Measures."
Table F.106, line 20, as it appears in the Z.1 statistical release and in part 2 of this Guide

### Table F.106 Federal Government

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>20. Change in checkable deposits and currency held by the federal government</td>
<td>313020005</td>
<td>-.5</td>
<td>Sum of lines 20a and 20b, less line 21 and less 50 percent of line 19f.</td>
</tr>
<tr>
<td>20a. Change in the operating cash balance held by the federal government</td>
<td>313024000</td>
<td>-.9</td>
<td>Level from Monthly Treasury Statement, table 6, Means of Financing the Deficit, column Account balances, U.S. Treasury operating cash, Balance. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>20b. Change in cash and monetary assets, other than the operating cash balance, held by the federal government</td>
<td>313026003</td>
<td>-.1</td>
<td>Level from Monthly Treasury Statement, table 6, Means of Financing the Deficit, column Account balances, Close of this month, Asset accounts, Other cash and monetary assets. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
</tbody>
</table>

The series name in this Guide is a complete version of a title shortened in the Z.1 release because of space limitations. For example, line 20 of table F.106 in the Z.1 release, “Checkable deposits and currency,” also appears as line 20 of table F.106 in part 2, with the fuller description “Change in checkable deposits and currency held by the federal government” (see accompanying box). Subdivisions of a line, in this case lines 20a and 20b, provide detailed information; line subdivisions do not appear in the Z.1 release. To the right of the series title is a nine-digit mnemonic, or computer retrieval code, which...
identifies the series for data-analysis purposes. To the right of the code is the 1997 value for the series, in billions of dollars. In the right-most column is information on the source of data for the series or an explanation of the derivation of the value, as appropriate.

Publication of flow of funds data

Besides appearing in the quarterly Z.1 statistical release, flow of funds data are available on the Federal Reserve Board's Internet site (www.federalreserve.gov/releases/Z1), as well as on computer diskettes that can be purchased from the Board's Publications Services office.

The Z.1 statistical release

The quarterly Z.1 statistical release, "Flow of Funds Accounts of the United States," is the Federal Reserve Board's main publication of flow of funds data. It contains both sector and instrument tables (in both flow and levels form). Supplementary tables present balance sheets and reconciliation tables for the households and nonprofit organizations sector and for the nonfarm nonfinancial corporate business sector; detailed information on the financial activity of nonprofit organizations, pension funds, and governments; and a matrix showing flows for all sectors and instruments for the latest complete year. Three additional tables, showing debt growth, borrowing, and debt outstanding by sector, appear at the beginning of the release.

The release presents recent quarterly data and several years' worth of annual data. Quarterly flow data are published as seasonally adjusted annual rates; levels data are not seasonally adjusted. The release is usually published about ten weeks after the end of a quarter; that is, data for the first quarter are released in June, for the second quarter in September, for the third quarter in December, and for the fourth quarter in March of the following year.

The Federal Reserve's Internet site

Data published in the Z.1 statistical release are made available immediately on the Board's web site. Tables from the latest release are stored in Portable Document Format (PDF). Also available on the web site are data from previous issues of the Z.1; tables showing the mnemonics that identify the data series; historical data for levels, unadjusted flows, and seasonally adjusted flows; data for the Federal Reserve's monthly debt aggregate; and the supplementary tables included in the release.

Data on diskettes

Flow of funds data are also available in ASCII files on 3 ½ inch computer diskettes. The files on the diskettes correspond to the tables in the release; the diskettes contain all publicly available quarterly data, including seasonally adjusted flows, unadjusted flows, and levels, for the period from the first quarter of 1952 to the most recently published quarter, along with data from the debt tables found at the beginning of the Z.1, the available balance sheets, and the supplementary tables. The diskettes also provide a complete set of statistics on the published monthly debt aggregate for the period from January 1955 onward. The data on the diskettes are identical to those on the web site.

Publications address

Additional information on flow of funds publications and diskettes and on other publications of the Federal Reserve Board can be obtained from the following address:

Board of Governors of the Federal Reserve System
Publications Services
Mail Stop 127
Washington, DC 20551-0001
Telephone (202) 452-3245

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Federal Reserve Bank of St. Louis
Overview of the Accounts

The flow of funds accounts perform several functions. They measure the acquisition of physical and financial assets throughout the U.S. economy and the sources of funds used to acquire the assets. In doing this, the accounts record the net volume of transactions in financial instruments; provide a means of analyzing the development of the instruments and the behavior of the series over time; and record the role of financial intermediaries, such as banks and pension funds, in transferring funds from sectors having positive saving to those that borrow funds. The accounts also provide a broadly consistent set of time-series data for financial flows in the economy. The time series in the accounts are consistent not only within the flow of funds accounts themselves, but also with the NIPA.

In showing the relationship of various financial activities to each other and to nonfinancial activities that generate income and production, the flow of funds accounts provide a broad measure of investment activities. In theory, the accounts encompass all net changes in financial claims or liabilities resulting from (1) current transactions in the economy, (2) the allocation of saving between investment in physical capital and investment in financial capital, and (3) decisions to change the composition of financial assets and liabilities. Thus, the scope of the flow of funds accounts is different from that of the NIPA, which focus on activity related to current production and income. For example, unlike the NIPA, the flow of funds accounts include financial flows among the various sectors of the economy that arise from transfers of existing physical assets as well as from shifts in the composition of financial portfolios that may be unrelated to, or indirectly related to, current production.

The flow of funds accounts are a component of a system of economic accounts that describe the U.S. economy. The other components of the system are the NIPA and the balance of payments accounts, also published by BEA, which measure production and income activity and international capital flows during a particular time period. The flow of funds accounts and the related sector balance sheets detail how current investment in tangible and financial assets contributes to a buildup of the stock of assets for each sector of the economy and to the creation of national wealth. The flow of funds accounts can be viewed as combining data on the flows of saving and tangible investment published in the NIPA with additional details on borrowing and lending for specific economic sectors.

The coordinated system of economic accounts comprising the NIPA, the flow of funds accounts, the balance of payments accounts, and balance sheets is similar to the international standard set forth in the United Nations System of National Accounts (SNA). The SNA framework is an integrated set of economic accounts that estimate beginning-of-period balance sheets, current production and income-distribution activity, tangible and financial investment, revaluation of assets and the volume of transactions in the assets, and end-of-period balance sheets. The flow of funds accounts are conceptually equivalent to the tangible and financial investment accounts described in the SNA, and the U.S. balance sheets are similar to those shown in the SNA.

Differences in presentation exist, however, between the SNA and the flow of funds accounts.
accounts. In the SNA, tangible and financial investment activity is split into a capital account and a financial account; in contrast, the flow of funds accounts integrate the two types of activity into a single account akin to a sources-and-uses framework. The integrated presentation aids analysis by making explicit the tradeoff between tangible and financial investment, the funding strategies used to support investment, and the overall financial structure and economic health of specific sectors. The SNA framework also specifies separate accounts for revaluations of assets and for changes in assets resulting from other factors, whereas the flow of funds accounts do not isolate revaluations and volume changes to the extent suggested in the SNA. Although the U.S. balance sheets make many adjustments for revaluations and volume changes, they do not present the adjustments separately in a specific statement, as the SNA does. (However, revaluation tables that identify the factors contributing to changes in net worth accompany the two sector balance sheets that are shown in the Z.1 release.) The SNA presents a somewhat different categorization of sectors. In particular, the SNA recommends classifying some nonprofit organizations within the business sector, whereas the flow of funds accounts combine such organizations with households. Also, the SNA combines unincorporated nonfinancial businesses with the household sector, whereas the flow of funds accounts place such businesses in a separate sector that can be combined with either households or the other nonfinancial businesses.

The accuracy and timeliness of the flow of funds accounts depend on the availability of statistical information from outside providers. The data in the accounts are drawn from a large number of reports and publications from private and public sources. Information on some groups of institutions and some types of financial transactions is available only annually or with a long lag, and in many cases data on asset or liability categories are not reported in sufficient detail to meet the requirements of the accounts. In both cases, staff members of the Federal Reserve Board estimate the value of individual items, using techniques that are reviewed regularly. Revisions in data from source agencies are incorporated into the accounts as they become available, and structural changes in the accounts are made whenever necessary.

**Basic principle underlying the accounts**

The flow of funds accounts are constructed on the basic principle that all movements of funds in the economy must be accounted for because total sources of funds equal total uses of funds: Saving equals investment in the economy, and all funds supplied by sectors in the economy become uses of funds by other sectors, even if a particular use is only the hoarding of currency. This basic principle—that total sources of funds and total uses of funds in the economy are equal—becomes a requirement when the accounts are calculated.

The sources of funds for a sector are its saving out of current income and the amounts that it raises from outside the sector. Saving is equal to receipts of current income less outlays for consumption, operating expenses, interest, and other current expenses. The value of consumption of fixed capital (that is, depreciation on tangible assets) is added to net saving to obtain gross saving. Funds raised from outside sources constitute the sector’s net increase in liabilities; the increases in individual liability items are shown net of decreases in the same items. The uses of funds for a sector are its investments in physical assets and increases in financial assets (net of decreases in the same assets), such as deposits, loans, and securities.

The requirement that sources of funds equal uses of funds applies not only to sectors but also to individual types of transactions—total funds borrowed through each type of financial instrument must equal total funds lent through that type of instrument. For the economy as a whole, funds borrowed by all sectors must equal funds lent by all sectors, and funds borrowed through all types of financial instruments must equal funds lent through all types of financial instruments.

These equalities in the flow of funds accounts exist in principle but do not necessarily emerge from the available data, which are not always complete or consistent with each other. The equalities are achieved in the cal-
calculation of the accounts by using residuals to balance the totals. In some cases, a particular sector is made the residual borrower or lender of a financial instrument item, or a particular type of instrument is made the residual borrowing or lending item for a sector; in other cases, a specific discrepancy item is calculated as the residual. When the accounts are in balance, the total of sector discrepancies equals the total of instrument discrepancies.

In the Z.1 statistical release, each line in a sector flow table represents a source or use of funds; data are shown for several time periods. Data in each table for a sector meet the constraint discussed above that, for each period, total sources of funds must equal total uses of funds. Also, data in the flow tables for each sector fulfill the macroeconomic requirement that gross saving equal gross investment. Both of these equalities are achieved by calculating the residuals. For most sectors, the residual item is the sector discrepancy. For the farm business and nonfarm noncorporate business sectors, the residual item is "proprietors' net investment," which reflects changes in the value of ownership of the sector by the households and nonprofit organizations sector.

The example in the accompanying box indicates the structure of a typical flow of funds sector table and helps clarify the relationship between sources and uses. Lines 1 and 2 show gross saving and gross investment. Investment is separated into its two major forms, capital expenditures (line a) and net financial investment (line b). Net financial investment, in turn, is calculated as net acquisition of financial assets (line i) less the net increase in liabilities (line ii). The discrepancy between gross saving and gross investment, arising from imperfections in the data, is given in line 3.

Matrix format

The Z.1 statistical release uses a time-series format for presenting the flow of funds accounts. An alternative format is a matrix consisting of columns and rows, with one matrix for each time period. Table 1 is a detailed flow of funds matrix showing data that appear in the sector and instrument tables in part 2. For each sector, the matrix contains one column for sources of funds and one column for uses, and the two columns must separately sum to the same total. For each instrument category, the total of sources must equal the total of uses across a row; some rows contain balancing instrument discrepancies. Presenting the accounts in matrix form highlights the fact that for financial transactions, one sector's sources of funds are other sectors' uses, and vice versa. The total of amounts shown in all the source or use columns must equal the total of amounts shown in all the rows.

Table 2 is a simplified form of table 1, condensed in order to highlight the matrix's major features. The thirty sectors in the accounts are aggregated in this table into three groups, listed across the top of the table. Down the left side of the table are the instrument categories, here aggregated into seven rows plus a row for the column totals. For each sector, the instruments represent either sources of funds or uses of funds. In the detailed matrix (table 1), each instrument type is shown separately, and source and use entries are shown in the same row. In table 2, saving and capital expenditures, the nonfinancial sources and uses of funds, appear in lines 1 and 3 respectively. All the financial transactions of a sector are summarized as net financial investment (line 4)—the excess of a sector's lending to other sectors (its financial

<table>
<thead>
<tr>
<th>Structure of a typical sector table in the flow of funds accounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gross saving (GS)</td>
</tr>
<tr>
<td>2. Gross investment (GI)</td>
</tr>
<tr>
<td>a. Capital expenditures (CE)</td>
</tr>
<tr>
<td>b. Net financial investment (NFI)</td>
</tr>
<tr>
<td>1. Net acquisition of financial assets (NAFA)</td>
</tr>
<tr>
<td>2. Net increase in liabilities (NIL)</td>
</tr>
<tr>
<td>3. Discrepancy (D)</td>
</tr>
<tr>
<td>(1) ( GS = GI + D )</td>
</tr>
<tr>
<td>(2) ( GS = (CE + NFI) + D )</td>
</tr>
<tr>
<td>(3) ( GS = CE + (NAFA - NIL) + D )</td>
</tr>
<tr>
<td>(4) ( GS + NIL = CE + NAFA + D )</td>
</tr>
<tr>
<td>(Sources of funds) = (Uses of funds)</td>
</tr>
</tbody>
</table>
1. Detailed flow of funds matrix, 1997

<table>
<thead>
<tr>
<th>Item</th>
<th>Billions of dollars</th>
<th>Domestic nonfinancial sectors</th>
<th>Rest of the world</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>U</td>
<td>S</td>
<td>U</td>
</tr>
<tr>
<td>1. Gross saving</td>
<td>1,029.2</td>
<td>745.9</td>
<td>135.6</td>
</tr>
<tr>
<td>2. Consumption of fixed capital</td>
<td>627.8</td>
<td>492.1</td>
<td>81.1</td>
</tr>
<tr>
<td>3. Net saving (1-2)</td>
<td>401.6</td>
<td>253.8</td>
<td>54.6</td>
</tr>
<tr>
<td>4. Gross investment (5+12)</td>
<td>994.7</td>
<td>749.1</td>
<td>153.2</td>
</tr>
<tr>
<td>5. Capital expenditures</td>
<td>999.0</td>
<td>826.1</td>
<td>175.6</td>
</tr>
<tr>
<td>6. Consumer durable goods</td>
<td>673.1</td>
<td>38.6</td>
<td></td>
</tr>
<tr>
<td>7. Residential construction</td>
<td>202.4</td>
<td>64.7</td>
<td></td>
</tr>
<tr>
<td>8. Nonresidential plant and equipment</td>
<td>43.6</td>
<td>712.9</td>
<td></td>
</tr>
<tr>
<td>9. Change in inventories</td>
<td>73.9</td>
<td>113.4</td>
<td></td>
</tr>
<tr>
<td>10. Gross government investment</td>
<td>7.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Access rights from federal government</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Net financial investment (13-14)</td>
<td>-4.4</td>
<td>-77.0</td>
<td>-22.4</td>
</tr>
<tr>
<td>13. Financial uses</td>
<td>391.1</td>
<td>387.8</td>
<td>35.4</td>
</tr>
<tr>
<td>14. Financial sources</td>
<td>395.4</td>
<td>464.8</td>
<td>57.8</td>
</tr>
<tr>
<td>15. Gold and official foreign exchange</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16. SDR certificates</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Treasury currency</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. Foreign deposits</td>
<td>6.3</td>
<td>-6.4</td>
<td></td>
</tr>
<tr>
<td>19. Interbank claims</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20. Checkable deposits and currency</td>
<td>-29.5</td>
<td>28.8</td>
<td>1.5</td>
</tr>
<tr>
<td>21. Federal government</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22. Rest of the world</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>23. Private domestic</td>
<td>-29.5</td>
<td>28.8</td>
<td>1.5</td>
</tr>
<tr>
<td>24. Time and savings deposits</td>
<td>169.5</td>
<td>12.6</td>
<td>6.1</td>
</tr>
<tr>
<td>25. Money market mutual fund shares</td>
<td>108.7</td>
<td>14.8</td>
<td></td>
</tr>
<tr>
<td>26. Federal funds and security RPs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>27. Credit market instruments</td>
<td>-125.4</td>
<td>355.6</td>
<td>17.5</td>
</tr>
<tr>
<td>28. Open market paper</td>
<td>7.0</td>
<td>3.2</td>
<td>13.7</td>
</tr>
<tr>
<td>29. Treasury securities</td>
<td>-209.7</td>
<td>12.1</td>
<td>-17.7</td>
</tr>
<tr>
<td>30. Agency securities</td>
<td>28.3</td>
<td>16.4</td>
<td>9.2</td>
</tr>
<tr>
<td>31. Municipal securities</td>
<td>24.3</td>
<td>10.0</td>
<td>8.3</td>
</tr>
<tr>
<td>32. Corporate and foreign bonds</td>
<td>27.5</td>
<td>90.7</td>
<td>-9.6</td>
</tr>
<tr>
<td>33. Bank loans n.e.c.</td>
<td>8.9</td>
<td>98.4</td>
<td></td>
</tr>
<tr>
<td>34. Other loans and advances</td>
<td>18.1</td>
<td>51.8</td>
<td>-1.2</td>
</tr>
<tr>
<td>35. Mortgages</td>
<td>-21.9</td>
<td>286.2</td>
<td>9.2</td>
</tr>
<tr>
<td>36. Consumer credit</td>
<td>52.5</td>
<td>1.2</td>
<td></td>
</tr>
<tr>
<td>37. Corporate equities</td>
<td>-490.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>38. Mutual fund shares</td>
<td>222.9</td>
<td>3.0</td>
<td>3.6</td>
</tr>
<tr>
<td>39. Trade credit</td>
<td>7.9</td>
<td>41.8</td>
<td>73.4</td>
</tr>
<tr>
<td>40. Security credit</td>
<td>51.6</td>
<td>36.8</td>
<td></td>
</tr>
<tr>
<td>41. Life insurance reserves</td>
<td>52.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>42. Pension fund reserves</td>
<td>296.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>43. Taxes payable</td>
<td>9.1</td>
<td>-8</td>
<td></td>
</tr>
<tr>
<td>44. Investment in bank personal trusts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>45. Equity in noncorporate business</td>
<td>40.7</td>
<td>22.7</td>
<td></td>
</tr>
<tr>
<td>46. Miscellaneous</td>
<td>11.7</td>
<td>-4.8</td>
<td>275.1</td>
</tr>
<tr>
<td>47. Sector discrepancies (1-4)</td>
<td>34.5</td>
<td>-3.2</td>
<td>-17.6</td>
</tr>
</tbody>
</table>

Note: In column heads, U, use; S, source.

1. Nonfarm nonfinancial corporate business, nonfarm noncorporate business, and farm business.
2. Excludes employee retirement funds.
3. Commercial banking, savings institutions, and credit unions.
4. Bank personal trusts and estates, money market mutual funds, mutual funds, closed-end funds, government-sponsored enterprises, federally related mortgage pools, issuers of asset-backed securities, finance companies, mortgage companies, real estate investment trusts, security brokers and dealers, and funding corporations.
5. Numbers in parentheses refer to numbered lines.
6. SDR, special drawing right.
7. RPs, security repurchase agreements.
8. n.e.c., not elsewhere classified.
9. Components may not sum to totals because of rounding.
* In absolute value, greater than zero and less than $50 million.
11

Overview of the Accounts

I .-Continued
Financial sectors
I

Monetary
authority

u

I

s

i
I

Depository

institutions 3

u

I

s

Insurance companies
and pension funds

u

institutions 4

I

s

1

u

s

I

21.3
30.6
-9.3

54.2
19.7
34.4

2.8
.3
2.5

All other financial

All
sectors

Total

u

i

s

u

!

147.2
104.2
43.0

69.0
53.6
15.4

1.0
.3

-12.3
16.6

82.5
31.1

26.8
63.1

98.1
111.0

.3

16.6

31.1

6.9
56.2

6.9
104.1

Instrument
discrepanc1es
:

s

I

u

2,216.5
1,375.6
841.0
2,247.2
2,164.4
673.1
327.9
860.7

-30.7
52.1

67.4
235.4
.0
.7
38.8

38.1

-28.9
472.6

501.5

51.4
421.4

369.9

-36.2
1,270.8

1,307.0

-12.9
2,203.6

2,216.5

82.8
3,640.5

3,557.7

-82.8
-82.8

!
Memo:
National
saving
and

investment
2,075.6
1,375.6
700.1

I.
2.
3.

1,909.5
2,164.4
673.1
327.9
860.7

4.
5.
6.
7.
8.

67.4
235.4

9.
10.
II.

-254.9
369.3
624.2

12.
13.
14.

-1.5

-1.5

.7

.7

15.

-.5
.6

-.5
.6

-.5

16.
17.
18.
19.
20.
21.
22.
23.
24.
25.

-1.6

6.1
30.1
-2.3
25.3
7.1

6.1
1.5
1.5
.2

-25.5
11.4
-.9
4.6
7.7
219.6

4.7

11.7

-.5
.6
.1
4.5
17.9

4.7
-13.8
22.1

I 1.7
30.9
12.1

17.9
17.4
34.1

.I

2.3

1.2

87.1

-.8

38.3
.0
39.8
-1.5

336.3
-1.2
3.6
75.1
2.5
17.9
129.3
.3
112.3
-3.5

66.0
3.3

230.4
16.9
36.8
15.3
4.9
144.7

.2

3.2
8.5

.2

72.4
223.7
54.9

106.6

5.1

235.6
-7.8
36.3
36.8

.0

.8
.6

23.9
3.5
35.4

-27.7

42.8

2.7

21.7

1.2

1.8

1.8

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Federal Reserve Bank of St. Louis

104.1
66.4

168.9

26.7
-61.3

43.7

.5
48.0
-.5
29.9
18.7
219.6
157.6

*

107.4
-19.4
41.5
-3.2
29.9
14.8
219.6
157.6

-.6
107.4
-19.9
-6.6
-2.7
-3.9

26.

29.0

28.1

31.7

115.2

55.7

115.2

656.5
127.1
18.7
53.2
31.3
75.3

578.1
163.4

1,261.5
142.7
99.0
142.0
38.7
238.0
129.3
75.9
344.5
51.3

644.3
166.7

1,470.7
184.1
23.2
212.7
71.4
345.4
129.3
l02.2
349.9
52.5

1,470.7
184.1
23.2
212.7
71.4
345.4
129.3
102.2
349.9
52.5

27.
28
29.
30.
31.
32.
33.
34.
35.
36.

-8.6
265.1
5.7
73.3

-81.8
265.1
82.9
IIO.I

-81.8
265.1
98.0
110.1

IS.I

37.
38.
39.
40

52.6
265.5
5.5
75.0

52.9
296.8
-2.6
75.0

52.9
296.8
14.6
75.0

17.2

18.0
305.8

40.7
848.3

40.7
593.4

-254.9

52.6
265.5
2.9

1.8

157.6

-19.4
41.5
-3.2
29.9
14.8
219.6
157.6

212.8
184.I
JO.I
.0
7.8
14.0
265.1
5.7
73.3

342.9
35.6
39.1
58.5

.9
75.0
229.6
42.2

18.0
91.3

361.7
49.l

212.8
207.9
13.6
35.6
7.8

-30.7

59.5

-30.7

41.
42.
43.
44.
45.
46.
166.2

47.


2. Simplified flow of funds matrix, 1997

<table>
<thead>
<tr>
<th>Item</th>
<th>Domestic nonfinancial sectors</th>
<th>Rest of the world</th>
<th>Financial sectors</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Use</td>
<td>Source</td>
<td>Use</td>
<td>Source</td>
</tr>
<tr>
<td>1. Gross saving</td>
<td>1,294.2</td>
<td>1,928.4</td>
<td>140.9</td>
<td>98.1</td>
</tr>
<tr>
<td>2. Gross investment</td>
<td>2,053.4</td>
<td>. . . . . .</td>
<td>. . . . . .</td>
<td>. . . . . .</td>
</tr>
<tr>
<td>3. Capital expenditures</td>
<td>. . . . . .</td>
<td>. . . . . .</td>
<td>. . . . . .</td>
<td>. . . . . .</td>
</tr>
<tr>
<td>4. Net financial investment</td>
<td>. . . . . .</td>
<td>. . . . . .</td>
<td>. . . . . .</td>
<td>. . . . . .</td>
</tr>
<tr>
<td>5. Net acquisition of financial assets</td>
<td>. . . . . .</td>
<td>. . . . . .</td>
<td>. . . . . .</td>
<td>. . . . . .</td>
</tr>
<tr>
<td>6. Net increase in liabilities</td>
<td>. . . . . .</td>
<td>. . . . . .</td>
<td>. . . . . .</td>
<td>. . . . . .</td>
</tr>
<tr>
<td>7. Discrepancy1</td>
<td>. . . . . .</td>
<td>. . . . . .</td>
<td>. . . . . .</td>
<td>. . . . . .</td>
</tr>
<tr>
<td>8. Total2</td>
<td>2,900.3</td>
<td>2,900.3</td>
<td>510.2</td>
<td>510.2</td>
</tr>
</tbody>
</table>

1. For each sector or group of sectors, the discrepancy equals gross saving (line 1) less gross investment (line 2).
2. For columns showing uses of funds, line 8 equals the sum of rows 3, 5, and 7; for columns showing sources of funds, line 8 equals line 1 plus line 6.

Components may not sum to totals because of rounding.
. . . Not applicable.

uses) over its borrowing from other sectors (its financial sources). The inclusion of a discrepancy row ensures that total sources and total uses of funds for each sector are equal. In table 1, discrepancies for individual instrument items appear in a separate column. The sum of the instrument discrepancies equals the sum of the sector discrepancies.

The matrix framework is useful in analyzing actual or hypothetical economic events, an exercise that illustrates that the effects of economic events may spread widely through the economic system. For example, one development of recent years is the growing participation of households in the U.S. stock market through investment in mutual funds. If an analyst who prepares the accounts wanted to trace the likely effects of an increase in purchases of mutual fund shares by individuals during a particular quarter, he or she would enter this change in table 1 as an increase in the value shown in line 38, mutual fund shares—in the uses column for the households and nonprofit organizations sector and in the sources column for mutual funds. At this point, the uses of funds for the households and nonprofit organizations sector would be greater than its sources; believing, perhaps, that the purchase of mutual fund shares had been financed from individuals' cash balances, the analyst would enter a change equal in amount but opposite in sign to the line for checkable deposits and currency in the uses column. After this change, although the sector's sources and uses of funds would balance, there would be an imbalance in the checkable deposits and currency instrument line because uses would be smaller than sources. In the flow of fund accounts, no information is shown for checkable deposits and currency held by mutual funds because it is assumed that the amounts mutual funds take in from sales of fund shares are immediately put to work purchasing other financial assets. The sellers of these other financial assets might now show increases in their holdings of checkable deposits and currency, however, balancing that particular instrument category. In such an exercise, the analyst might judge what would be the location of each successive change and would continue to enter adjustments until equality was restored between the sources and uses of funds for all the sector and instrument categories. The analyst's decisions about where to make the adjustments might be based on previous econometric analysis of the financial behavior of the various sectors, or the analyst might use varying assumptions about the size or location of changes in order to see the ultimate results.

This type of analysis can be performed for other economic events as well—for example, when changes in interest rates induce corporations to restructure their debt, or when regulatory changes lead commercial banks to alter the mix of their loans and security holdings. When the economic event is hypothetical, or when an analyst wants to determine the probable future effects of an actual event, the subsequent changes in individual "cells" of the matrix can be estimated; the process of balancing the matrix becomes an exercise in macro-
economic simulation to determine whether there is consistency in financial markets. In tracing the course of actual events, on the other hand, shifts in markets and the resulting adjustments that balance the matrix are constantly in process; the task of those who prepare the flow of funds accounts is to discover where the changes have taken place. In such an instance, an analyst might compare the recorded values in the matrixes for the time periods before and after an event and note all the changes, using statistical techniques to discover which of the new values were related to the event being studied.

Relationship to the national income and product accounts

As the financial counterpart to the NIPA, the flow of funds accounts relate transactions in financial markets to nonfinancial activities in the economy by showing the uses to which saving is applied and the means by which tangible investment is financed. The discussion in the previous section noted that saving is a nonfinancial source of funds. Each sector in the economy has some form of current income or receipts: Households receive personal income from the sale of their labor services and from nonwage sources such as interest and rental payments, unincorporated proprietors’ income, and dividends from corporations; businesses, including financial businesses, earn revenues from the sale of goods and services and earnings from assets, such as security holdings; and governments receive tax payments, fees for services, and social insurance contributions.

Each sector likewise makes current outlays; for example, households consume goods and services, businesses pay wages and incur other expenses, and governments spend for defense, education, and other purposes, leaving (apart from adjustments) saving as the residual component of income. In the tables in the Z.1 statistical release, each domestic-sector table shows the sector’s saving, and in some cases total income before expenditures, as calculated in the NIPA. For conceptual reasons, a small portion of total saving in the NIPA is reallocated among the sectors in the flow of funds accounts. When saving is aggregated across all sectors in the accounts, however, it is equal to national saving as published in the NIPA except for certain identifiable differences that are discussed below. In this way, saving as presented in the flow of funds sector tables can be thought of as a disaggregation of national saving.

The differences between the total of national saving as presented in the flow of funds accounts and in the NIPA are summarized in table 3, which, like table 2, aggregates the 1997 data shown in the tables in part 2. Gross private saving (line 1) is larger in the flow of funds accounts than in the NIPA, by $781 billion. The first element of the difference, $111 billion (line 2), results from a shift of saving—credits from life insurance and pension funds for government employees—from the federal government and state and local government sectors to the households and nonprofit organizations sector, making it an element of gross private saving. The federal government component equals the change in U.S. government liabilities for life insurance reserves and pension fund reserves for federal employment and railroad retirement; the state and local government component is the change in total liabilities (equal to the change in total assets) of state and local government employee retirement funds. Moving these financial flows to the households and nonprofit organizations sector results in consistent treatment of private-sector and public-sector insurance and retirement saving in the flow of funds accounts; all of these reserves are financial assets of the households and nonprofit organizations sector.1

The second element of the difference between the total of national saving in the flow of funds accounts and in the NIPA is the difference in treatment of consumer durable goods, reflected in the calculation of both gross saving (line 4) and gross private domestic investment (line 5).2 In the NIPA, household outlays for durable goods, $673 billion in

1. In October 1999, the allocation of pension and insurance reserves in the NIPA was changed and now corresponds closely to the allocation in the flow of funds accounts.

2. Examples of consumer durable goods are automobiles, furniture, computing equipment, and boats.
3. Gross saving and investment in the flow of funds accounts and the national income and product accounts, 1997

<table>
<thead>
<tr>
<th>Item</th>
<th>Flow of funds accounts (FOF)</th>
<th>National income and product accounts</th>
<th>Difference</th>
<th>Source of difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gross private saving</td>
<td>1,922.2</td>
<td>1,141.7</td>
<td>780.6</td>
<td>Lines 2 and 4</td>
</tr>
<tr>
<td>2. Gross government saving</td>
<td>153.4</td>
<td>264.6</td>
<td>−111.2</td>
<td>Credits from government insurance</td>
</tr>
<tr>
<td>3. Capital grants to the U.S.</td>
<td>0</td>
<td>.0</td>
<td>.0</td>
<td>Omitted from FOF flows</td>
</tr>
<tr>
<td>4. Gross saving</td>
<td>2,075.6</td>
<td>1,406.3</td>
<td>669.4</td>
<td>Lines 3, 5, and 10</td>
</tr>
<tr>
<td>5. Gross private domestic investment</td>
<td>1,936.1</td>
<td>1,256.0</td>
<td>680.1</td>
<td>Consumer durable goods and purchases of access rights from the federal government</td>
</tr>
<tr>
<td>6. Gross government investment</td>
<td>228.3</td>
<td>235.4</td>
<td>−7.1</td>
<td>Sales of access rights by the federal government</td>
</tr>
<tr>
<td>7. Net foreign investment</td>
<td>−254.9</td>
<td>−140.9</td>
<td>−114.0</td>
<td>Lines 3 and 11</td>
</tr>
<tr>
<td>8. Gross investment</td>
<td>1,999.5</td>
<td>1,350.5</td>
<td>559.0</td>
<td>Lines 3, 5, 6, and 11</td>
</tr>
<tr>
<td>9. Statistical discrepancy (line 4 less line 8)</td>
<td>166.2</td>
<td>55.8</td>
<td>110.3</td>
<td>Lines 10 and 11</td>
</tr>
<tr>
<td>10. Private wage accruals less disbursements</td>
<td>3.7</td>
<td>.0</td>
<td>3.7</td>
<td>Omitted from FOF flows</td>
</tr>
<tr>
<td>11. Statistical discrepancy in international transactions</td>
<td>.0</td>
<td>.0</td>
<td>−114.0</td>
<td>FOF line 7 is based on capital flows rather than on current-account balance</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Source of difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Amount differs from total in table 2 by foreign sector saving.</td>
</tr>
<tr>
<td>2. Calculations may not yield differences shown because of rounding.</td>
</tr>
</tbody>
</table>

1997, are classified as personal consumption expenditures on goods that are consumed during the period in which they are purchased. In the flow of funds accounts, in contrast, purchases of durable goods are considered capital investment expenditures because durable goods provide services for a longer period of time than the current period and because to a significant degree they provide services that otherwise would be provided by businesses through their purchases of equipment; moreover, they are often financed by debt. Consequently, (1) saving by households is adjusted upward in the flow of funds accounts by the total of durable goods purchases, and national saving is larger in the flow of funds accounts than in the NIPA by this amount; and (2) total investment by the households and nonprofit organizations sector in physical goods includes the expenditures on durables. (No imputation of income is made to households from the flow of services from durable goods.)

The other differences in gross saving between the flow of funds accounts and the NIPA are less significant. One of these differences is the treatment of the U.S. allocation of special drawing rights (SDRs), which in the NIPA is considered a capital transfer from abroad but in the flow of funds accounts appears only as an adjustment in the level of U.S. holdings of SDRs. The most recent allocation of SDRs occurred in 1981, and this difference between the NIPA and the flow of funds accounts has been zero since then. Another item, private wage accruals less disbursements, is included in the NIPA but is excluded from the flow of funds accounts except as an element of the nonfinancial discrepancy series, a balancing item shown in the detailed matrix.

Table 3 illustrates that in addition to the differences between the NIPA and the flow of funds accounts in the values for gross saving, there are also differences between the two sets of accounts in the values for gross investment. One reason is the difference in the treatment of consumer durable goods, discussed above. Another reason is that measures of the contribution of the rest of the world sector to gross investment in the NIPA and in the flow of funds accounts differ by the amount of the rest of the world sector discrepancy. This discrepancy is a result of two factors. First, differ-

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3. SDRs are a special class of reserve asset, created by international agreement, that can be used only by monetary authorities and certain international organizations to settle international reserve transactions. SDRs are free-standing assets that do not represent a liability of any specific foreign country or international organization.
ences exist between the NIPA data and the balance of payments data used in the flow of funds accounts as a result of revisions and differences in timing; second, the NIPA exclude economic activity in U.S. possessions, whereas the balance of payments accounts include it.

Another difference between investment in the NIPA and in the flow of funds accounts, this one in the figure for gross private domestic investment, shown in line 5, is due to the treatment of access rights sales by the U.S. government (specifically, net sales of leases on the Outer Continental Shelf lands and proceeds from auctions of the broadcast frequency spectrum), a series that in the NIPA is not considered investment. In the flow of funds accounts, this item is considered a sale of a capital item by the U.S. government and is entered as a negative capital expenditure for the sector, $7 billion for 1997. The same amount is entered as a positive capital expenditure for the nonfarm nonfinancial corporate business sector. When capital expenditures are added for all sectors to obtain total gross investment, the two amounts offset each other.

Table 4 shows the allocation of components of saving and investment in the NIPA among flow of funds sectors. The allocation reflects, in part, differences between the NIPA and the flow of funds accounts in definitions of sectors: Saving and investment by corporate farms are in the nonfarm nonfinancial corporate business sector in the NIPA, but they are in the farm business sector in the flow of funds accounts; state and local governments and

<table>
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<tr>
<th>Item</th>
<th>Total</th>
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<td>Corporeal</td>
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| 3. Line 15 equals line 7 plus line 10. Components may not sum to totals because of rounding.
| 4. Excludes employee retirement funds.
state and local government retirement funds constitute a single sector in the NIPA, but they are two distinct sectors in the flow of funds accounts. Total gross saving, flow of funds basis (line 16), is calculated by adding expenditures on consumer durable goods (line 12) to NIPA gross saving and deducting items not included in flow of funds saving (line 15), which in this case total about $4 billion. Lines 13 and 14 show the reallocation of a portion of government saving to the households and nonprofit organizations sector described earlier; the reallocation does not affect total gross saving. Finally, the deduction of consumption of fixed capital (lines 17, 18, and 19) results in net saving (line 20).

The lower part of table 4 shows the allocation of the components of investment from the NIPA among flow of funds sectors. Gross domestic investment in the NIPA differs from that in the flow of funds accounts by the same amount of consumer durable goods expenditures (line 26) that was added to saving in line 12. The sales of access rights by the U.S. government to nonfarm nonfinancial corporations are shown in line 27. The inclusion of government consumption of fixed capital in line 19 and government investment in line 24 reflects recent changes in the treatment of government expenditures by the NIPA.

**Monthly debt aggregate**

In 1983 the Federal Open Market Committee (FOMC) established a monitoring range for the growth of credit market debt of the domestic nonfinancial sectors. This “debt aggregate” replaced bank credit as part of the information that the Federal Reserve Board reports to the Congress twice a year as required by the Full Employment and Balanced Growth Act of 1978 (the Humphrey–Hawkins Act).\(^4\) In response to the decision by the FOMC, a monthly form of the debt aggregate was developed using data from the flow of funds accounts; since then, data from the series have been published in the Federal Reserve Board’s weekly H.6 statistical release, “Money Stock and Debt Measures.”

The flow of funds measures reported in the tables of outstandings in the Z.1 release are levels at the end of a quarter or a year, whereas the debt aggregate, like the monetary aggregates, is reported as an average level outstanding during a month or quarter. The FOMC’s monitoring range for the debt aggregate applies to growth, from the fourth quarter of the previous year to the fourth quarter of the current year, in the average amount of debt outstanding.

Construction of the debt aggregate involves several steps. First, a month-end debt series is prepared. Monthly data are available for several components of the total—federal debt, consumer credit, commercial paper, municipal debt issuance, and finance company loans to business. Monthly data for portions of the other components are also available; the missing portions of these series are estimated.

The second step in constructing the debt aggregate is to adjust the month-end series for statistical discontinuities, or breaks, in the data. A break occurs when the sample changes or when the series is revised to incorporate new benchmark data, is revalued to market prices, or is redefined. Both the month-end and quarter-end data for credit market debt of domestic nonfinancial sectors contain such breaks. (The chapter on data characteristics discusses breaks in data in more detail.)

To remove a discontinuity from the month-end debt series, staff members of the Flow of Funds Section review the reasons for the break and work the amount of the break into the flow data (and the levels data) gradually over an appropriate period immediately preceding the discontinuity period. If specific information about the pattern with which the break should be incorporated in the series is not available, the break amount is worked into the series by calculating the compounded rate at which the level would have to grow (or shrink) over a predetermined period to reduce the break amount to zero. The monthly levels are then adjusted over the intervening period, maintaining the pattern that existed by moving the levels up (or down) gradually between the starting and ending points up to the amount of

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4. The legislative requirement that the Federal Reserve Board submit the semiannual monetary policy reports expired in late 1999, but in the omnibus budget bill passed at the end of the congressional session of that year, the reporting requirements were extended to May 15, 2000.
Flows are then calculated as the first differences of the newly constructed levels. An instance of this process occurred in 1989, when responses to a new question on a survey regularly conducted by the Federal Reserve Board revealed that $8 billion in securitized consumer credit receivables had not previously been reported. The series was adjusted upward by the $8 billion in January 1989, which meant that the series contained a break of that amount for that month. Because consumer credit had been securitized with regularity since 1984, the $8 billion was worked into the figures for 1984 through 1989, creating a new break-adjusted month-end series.

The final step in constructing the debt aggregate is to prepare the month-average series. The month-average series is calculated as the average of consecutive months in the series after the series has been adjusted for breaks. For example, the debt aggregate reported for January is the average of end-of-December and end-of-January figures. It is this monthly series that is published in the H.6 statistical release.
The richness of the flow of funds accounts lies, in part, in their detailed presentation of economic sectors and financial instruments.

**Sectors**

In the accounts, the economy is divided into thirty sectors, such as households and nonprofit organizations, federally related mortgage pools, and life insurance companies. (As noted, two additional summary sectors exist, one for the total of the three business sectors and the other for the total of the four commercial banking sectors.) For purposes of analysis, the sectors can be combined into broader groups, as shown in diagram 1. The nonfinancial business group, for example, is made up of three sectors—nonfarm nonfinancial corporate business, nonfarm noncorporate business, and farm business. This group, together with two other sectors—the households and nonprofit organizations sector and state and local governments, excluding employee retirement funds—form the domestic nonfinancial nonfederal group; the federal government is added to obtain the domestic nonfinancial group. The combined debt of this latter group, discussed earlier in the section on the monthly debt aggregate, is monitored by the Federal Open Market Committee because it is one indicator of the effect of monetary policy. The rest of the world sector is added to the domestic nonfinancial group to form the nonfinancial group.

The financial sectors are shown in lines 8 through 30 in diagram 1. The commercial banking group encompasses four banking sectors (lines 9 through 12); savings institutions (line 13) and credit unions (line 14) form the thrift institutions group, which is added to the commercial banking group to form the depository institutions group. Retirement funds for state and local government employees (line 19) constitute a separate sector in the financial group, although state and local governments themselves are a nonfinancial sector.

**Instruments**

The large number of instrument categories in the flow of funds accounts provides additional detail. Instruments can also be combined into analytically useful groups, such as those shown in diagram 2. One group, for example, is credit market instruments; it is important because the transactions carried out through these instruments are the ones besides equities that take place in organized financial markets.

A description of each sector or instrument category appears before its corresponding table in part 2.
Diagram 1. Sector groupings in the flow of funds accounts

1. Households and nonprofit organizations
2. Nonfarm nonfinancial corporate business
3. Nonfarm noncorporate business
4. Farm business
5. State and local governments, excluding employee retirement funds
6. Federal government
7. Rest of the world
8. Monetary authority
9. U.S.-chartered commercial banks
10. Foreign banking offices in the U.S.
11. Bank holding companies
12. Banks in U.S.-affiliated areas
13. Savings institutions
14. Credit unions
15. Bank personal trusts and estates
16. Life insurance companies
17. Other insurance companies
18. Private pension funds
19. State and local government employee retirement funds
20. Money market mutual funds
21. Mutual funds
22. Closed-end funds
23. Government-sponsored enterprises
24. Federally related mortgage pools
25. Issuers of asset-backed securities
26. Finance companies
27. Mortgage companies
28. Real estate investment trusts
29. Security brokers and dealers
30. Funding corporations
Diagram 2. Financial instrument categories in the flow of funds accounts

1. Gold and official foreign exchange holdings
2. SDR certificates
3. Treasury currency

4. U.S. deposits in foreign countries
5. Checkable deposits and currency
6. Time and savings deposits
7. Money market mutual fund shares
8. Federal funds and security repurchase agreements

9. Net interbank transactions

10. Open market paper
11. Commercial paper
12. Bankers acceptances
13. Treasury securities
14. Savings bonds
15. Other Treasury issues
16. Agency securities
17. Issues by federal agencies
18. Issues by government-sponsored enterprises
19. Issues by federally related mortgage pools
20. Municipal securities and loans
21. Corporate and foreign bonds
22. Bank loans not elsewhere classified
23. Other loans and advances
24. Loans from the U.S. government
25. Foreign loans to U.S. corporate business
26. Customers' liability on acceptances
27. Savings institution loans to business
28. Policy loans on life insurance
29. Loans from government-sponsored enterprises
30. Loans held by issuers of asset-backed securities
31. Finance company loans to business
32. Total mortgages
33. Home mortgages
34. Multifamily residential mortgages
35. Commercial mortgages
36. Farm mortgages
37. Consumer credit

38. Corporate equities
39. Mutual fund shares

40. Life insurance reserves
41. Pension fund reserves

42. Trade credit
43. Security credit
44. Taxes payable by businesses
45. Investment in bank personal trusts
46. Proprietors' equity in noncorporate business
47. Total miscellaneous financial claims
48. Identified miscellaneous claims I, II
49. Unidentified miscellaneous claims

50. Sector discrepancies
51. Instrument discrepancies
Uses of the Accounts

Information from the flow of funds accounts is used in many ways to describe and analyze economic and financial developments in the United States. For example, data from the accounts figure prominently in Federal Reserve Board reports to the Congress, such as the semiannual monetary policy reports and the 1988 study *Markets for Small-Business- and Commercial-Mortgage-Related Securities*. Flow of funds data are also cited in analytical studies reported in the monthly *Federal Reserve Bulletin* and in academic journals, newspapers, and financial market newsletters.

The following description of several key financial developments in the U.S. economy is based on information from the flow of funds accounts and illustrates the use of the accounts in understanding the course of events. Nearly all the data in the charts and the two tables that accompany the description are from the flow of funds accounts. A note at the bottom of each chart lists, for each data series in the chart, (1) the table in which the series appears (L preceding the table number denotes a table containing levels data; F, a table containing flow data; and B, a table from the sector balance sheets; the flow tables are explained in part 2 of this Guide), (2) the line number of the series, and (3) the computer code for the series. (For an explanation of the computer codes, see the chapter on series codes in part 2.)

Overview of U.S. credit flows since 1972

U.S. financial markets and the relationship between financial transactions and economic activity have changed in dramatic ways over the past quarter-century. Economists frequently summarize the relationship between production and financial activity with broad measures; one such measure is the ratio of the debt of the domestic nonfinancial sectors—governments, businesses, and households—to the value of the nation’s output, gross domestic product, expressed in nominal terms (that is, in current prices). The ratio was relatively stable during the period before 1982 (chart 1). Between 1982 and 1990, however, debt expanded at a much faster pace than the nominal value of output. The explosion was especially striking for nonfinancial corporations, for which the replacement of equity by debt

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1. Most of the material in this description has been discussed elsewhere, typically in greater detail, and the intention is not to present an alternative analysis or an exhaustive survey. Nonetheless, this brief history offers a perspective that may be of some interest on its own. The material updates that in the 1993 Guide.

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From the Z.1 release: Table L.2, line 1 (series fl384I04005.q), divided by table F.6, line 1 (fa086902005.q), multiplied by 100. See part 2 for an explanation of series codes.

In this and subsequent charts, shading indicates periods of recession as defined by the National Bureau of Economic Research.
led to an unprecedented restructuring of the capital base. Households and governments also borrowed heavily, with individuals increasing their mortgage and consumer-credit indebtedness and governments issuing more debt securities.

The slowing of debt growth that accompanied the economic recession in 1990 was nearly as dramatic as the rise. The effort by borrowers during and immediately after the recession to reduce debt-servicing burdens by borrowing less, refinancing existing debt with obligations that carried lower interest rates or longer maturities, and issuing equity has been cited as both a cause and a result of the slow pace of economic recovery in 1991 and 1992.

The economic expansion since 1992 has been accompanied by relatively stable debt growth in the aggregate but divergent patterns in economic sectors. Federal government borrowing slowed as the deficit shrank, and a budget surplus in 1998 brought with it the first yearly contraction in federal debt in nearly thirty years. The debt of businesses and households accelerated as purchases of all types of goods and services expanded. Meanwhile, the debt of state and local governments contracted for several years before turning up in 1997.

The channels through which credit makes its way to borrowers have changed substantially. In the 1970s, depository institutions—commercial banks, savings and loan associations, mutual savings banks, and credit unions—were the predominant lenders in the economy, and the growth of their loan and security portfolios approximately matched the expansion of the debt of the nonfinancial sectors (chart 2). But in the 1980s, the role of depositories began to decline in importance; the assets of savings and loan associations, for example, dropped nearly 40 percent between the end of 1988 and the end of 1992 as many institutions failed. By 1994, the growth of credit provided by depositories again about matched that of overall debt growth, but the share of total credit supplied continued to be less than that recorded in the 1970s and 1980s.

In contrast, life insurance companies, pension funds, and mutual funds have become increasingly important channels for financial intermediation. Moreover, new types of securities, backed by pools of loans (particularly home mortgages) or receivables, have captured a growing segment of the credit markets.

The rise and fall of debt

The change in total debt relative to the nation's output is one of the more striking macroeconomic financial developments of the postwar period. The ratio of domestic nonfinancial debt to nominal GDP had fluctuated within a relatively narrow band for most of the period between the mid-1950s and 1982, averaging about 135 percent. Private-sector borrowing tended to move up and down in tandem with business activity, reflecting the use of credit to finance purchases of consumer durable goods, investment in equipment and inventories, and construction activity of all types. Federal government borrowing, on the other hand, was largely countercyclical: Deficits tended to widen during recessions because tax revenues weakened and expenditures to support declining incomes increased; economic expansions generally strengthened the government's budgetary position. Thus, changes in the growth of private and public debt had largely offset one another.

The stable ratio of debt to income prompted some economists in the late 1970s and early 1980s to suggest that monetary policy should target a broad credit aggregate in place of, or


Debt—From the Z.1 release: Table F.109, line 14 (fa38404005.q), divided by table L.109, line 2 (fa38404005.q, lagged one quarter), multiplied by 100. Credit—From the Z.1 release: Sum of table F.109, line 43 (fa276404005.q), table F.114, line 8 (fa4440004005.q), and table F.115, line 7 (fa4740004005.q) divided by the sum of table L.109, line 39 (fl7640004005.q, lagged one quarter), table L.114, line 6 (fl4440004005.q, lagged one quarter), and table L.115, line 5 (fl4740004005.q, lagged one quarter), multiplied by 100. Data are four-quarter moving averages.
alongside, the monetary aggregates. As noted in the earlier discussion of the monthly debt aggregate, the Federal Open Market Committee in 1983 began setting a monitoring range for domestic nonfinancial debt. At about the same time, this debt aggregate began rising much more rapidly than GDP, with the ratio approaching 200 percent by the end of the 1980s. The ratio again flattened in the early 1990s, but at the new, elevated level; since then it has fluctuated in a narrow range around 183 percent.

No single factor appears to explain the sharp upturn in relative debt growth in the 1980s. Most explanations that have been offered refer to a combination of factors, including reduced costs to businesses and households of financial leveraging, change in the regulatory environment for depository institutions, a broadening of credit markets to encompass foreign sources, and new technologies that enhanced the exchange of information and spurred the development of new instruments to control economic risk. These factors appear to have affected the borrowing habits of governments, businesses, and households in different ways and at different times, leading most analysts to focus on events in individual sectors.

A major component of the growth of nonfinancial debt in the 1980s was the ballooning of the deficits of the federal government during the period of economic expansion. Between 1972 and 1979, federal government debt increased, but its growth was slower than the growth of nominal GDP. Beginning in 1980, however, the step-up in the size of federal government deficits, which reflected unprecedented changes in tax laws, a buildup in national defense, and growth in social welfare programs, pushed the federal government debt up at double-digit rates.

At its peak at the end of 1997, federal government debt held by the public totaled $3.8 trillion, nearly six times the level at the beginning of 1980 (chart 3). However, federal deficits shrank dramatically during the last years of the decade, and with the budget recording a surplus in 1998, federal borrowing returned to a countercyclical mode.

The uptrend in the debt of the federal government relative to GDP in the 1980s was not accompanied by offsets in the nonfederal sectors. For example, net issues of tax-exempt securities, most of which are offered by state and local governments, showed no slackening. To the contrary, net issuance was especially strong in the middle of the decade; many governments and related entities issued large volumes of debt securities in anticipation of proposed federal tax legislation that would restrict offerings of public- and private-purpose bonds (chart 4). (Subsequently, such restrictions were in fact enacted.)

Later in the 1980s and in the early 1990s, growth of the debt of state and local govern-
ments was buoyed by increasing fiscal pressures. Financial support from the federal government diminished and revenue growth from these governments’ own sources slowed at the same time demand for services such as Medicaid, corrections, and education was rising rapidly. With operating accounts squeezed, state and local governments apparently funded an increasing proportion of their capital spending through borrowing.

The debt of the state and local government sector also surged because many governments found it advantageous to “advance refund” obligations that had been issued at higher interest rates. Such advance-refunding of debt was matched by increases in financial assets, as the funds raised were typically used to purchase SLGS (state and local government series), which are nonmarketable U.S. Treasury securities with maturities tailored to match the first call date of the bonds that the governments refund.

The buildup of municipal debt was partly reversed in the mid-1990s. Over a three-year period beginning at the end of 1993, state and local government debt contracted by nearly $105 billion, or 9 percent of the total outstanding, as securities refunded in advance of their maturity dates were retired. By the end of the decade, however, municipal debt was again rising smartly as state and local governments took advantage of favorable financial conditions to fund infrastructure construction and other capital projects.

For the business sectors, debt growth has tended to exceed the growth of nominal GDP during the postwar period; the difference grew with the economic expansion of the 1980s, declined just before and during the recession in 1990, and again strengthened over the expansion. Borrowing by nonfinancial corporations in the 1970s appears to have been closely tied to the difference between their capital outlays for buildings, equipment, and inventories and their internal cash flow. This so-called financing gap is plotted in chart 5, along with net new borrowing of all nonfinancial corporations.

As chart 5 suggests, corporations altered their financing activities in unprecedented ways in the mid-1980s, when borrowing greatly exceeded the financing gap. The additional borrowing was associated with a large number of mergers, acquisitions, and other types of corporate restructurings, some of them financed with “junk” bonds—below-investment-grade debt issues. The mirror image of the rise in corporate borrowing was an unprecedented retirement of equity: Between 1984 and 1990, nonfinancial corporations withdrew nearly $650 billion worth of equity (chart 6).

By the end of the decade, businesses had reversed the earlier buildup in financial leverage. Indeed, the drop in borrowing was so precipitous that the outstanding debt of the nonfinancial corporate business sector at the end of 1991 was actually lower than it had been at the end of 1990. Net equity issuance turned positive in 1991 and remained so in 1992.

With interest rates on long-term debt declining, businesses also moved aggressively to...
restructure their balance sheets in other ways. By issuing bonds at a near-record pace, corporations were able to reduce their debt service through replacement of bonds that carried the higher interest rates of the 1970s and 1980s and to reduce obligations that had shorter maturities, such as bank loans and commercial paper. By the end of 1993, the ratio of these generally shorter-term obligations to total corporate debt had fallen to its lowest level since the end of 1979 (chart 7).

The growth of business debt climbed steadily with the economic expansion of the 1990s. The higher levels of borrowing reflected in part a widening of the financing gap, especially in 1997 and 1998. But borrowing was also boosted by a flood of mergers and acquisitions, which, along with a high level of stock repurchases, resulted in an even larger contraction in equity and a resurgence of the issuance of junk bonds.

The rise of debt relative to income began earlier for the household sector than for the business and government sectors. The ratio of household debt to disposable personal income had turned up noticeably by 1977, and the rise was interrupted only briefly by the economic recessions of the early 1980s and then again in 1990–91 (chart 8). Borrowing backed by real estate, that is, mortgage loans to purchase homes or to tap equity in homes, accounted for the bulk of the pickup in the overall debt of the household sector. Because the prices of homes were rising considerably on average from the mid-1970s to the mid-1980s, the amount of mortgage debt outstanding relative to the market value of owner-occupied real estate changed little during that period (chart 9)—no doubt reducing the perceived risk of the added debt to both borrowers and lenders. When the rise in home prices slowed in the second half of the 1980s, however, the ratio of mortgage debt to the value of real estate increased sharply, although the absolute amount of equity in homes continued to rise (chart 10).

Like businesses, households cut their borrowing in the 1990–92 period. Consumer credit, which is frequently used to purchase automobiles and other consumer durable goods, actually contracted in 1991 and changed little in 1992. As was the case for other sectors, however, growth of such credit picked up as household employment and income rose and outlays for consumer goods and services of all types increased. Beginning in 1993, households reacted to declining interest rates, especially falling mortgage interest rates, by restructuring their debt. Refinancings of mortgages served a number of purposes, including lowering monthly payments and enabling borrowers to consolidate debts by using cash from proceeds to pay down consumer credit, which typically carries relatively short maturities and higher interest rates than those on mortgage debt. By the end of the
9. Home mortgage debt as a percentage of the value of owner-occupied real estate, 1946-97

![Graph showing home mortgage debt as a percentage of the value of owner-occupied real estate, 1946-97.]

From the Z.1 release: Table B.100, line 34 (series fl153165105.a), divided by line 4 (fl155035015.a), multiplied by 100.

decade, household debt as a proportion of disposable personal income was about 98 percent, compared with about 85 percent in 1990. Nonetheless, because households restructured their debt to longer maturities and interest rates declined, the ratio of servicing payments to income in 1998 was at about the same level as in 1990.

**Sources of credit**

The past twenty-five years also have seen a significant evolution of financial intermediation. The interaction of changes in regulation, changes in tax law, international competition in financial services, and the development of new types of financial instruments has changed the way saving flows are channeled to investments.

5. Credit market funds, by type of supplier, 1960-98

<table>
<thead>
<tr>
<th></th>
<th></th>
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<tbody>
<tr>
<td>Depository institutions</td>
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<td>Thrift institutions</td>
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<td>Insurance companies</td>
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<td>11</td>
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<tr>
<td>Pension funds</td>
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<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>Mutual funds (including money market mutual funds)</td>
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<td>1</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td>Government-sponsored enterprises and mortgage pools</td>
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<td>4</td>
<td>8</td>
<td>12</td>
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<tr>
<td>Other financial sectors</td>
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<td>10</td>
<td>11</td>
</tr>
<tr>
<td>Nonfinancial sectors</td>
<td>27</td>
<td>22</td>
<td>24</td>
<td>26</td>
</tr>
</tbody>
</table>

1. Monetary authority, bank personal trusts and estates, issuers of asset-backed securities, finance companies, mortgage companies, real estate investment trusts, security brokers and dealers, and funding corporations.

2. Households and nonprofit organizations; nonfinancial business; state and local governments, excluding retirement funds; federal government; and rest of the world.

**Table 5** provides a broad picture of this evolution. Depository institutions were the major suppliers of funds in the United States in the 1960s and 1970s, holding nearly half the credit market debt. With the shrinkage of the savings and loan industry and increased competition from other types of financial institutions, the share held by depository institutions dropped to less than 30 percent in the early 1990s. The slack was taken up by other financial sectors, including entities that issue debt securitized by individual loans. For example, home mortgage lending increasingly was financed by the issuance of securities backed by a pool of loans. Although depositaries became major holders of these so-called mortgage-backed securities, other lenders also purchased them, thereby widening the market for mortgage loans.

10. Equity in owner-occupied homes, 1972–97

![Graph showing equity in owner-occupied homes, 1972–97.]

From the Z.1 release: Table B.100, line 4 (series fl155035015.a), less line 34 (fl153165105.a).

Table 5 provides a broad picture of this evolution. Depository institutions were the major suppliers of funds in the United States in the 1960s and 1970s, holding nearly half the credit market debt. With the shrinkage of the savings and loan industry and increased competition from other types of financial institutions, the share held by depository institutions dropped to less than 30 percent in the early 1990s. The slack was taken up by other financial sectors, including entities that issue debt securitized by individual loans. For example, home mortgage lending increasingly was financed by the issuance of securities backed by a pool of loans. Although depositaries became major holders of these so-called mortgage-backed securities, other lenders also purchased them, thereby widening the market for mortgage loans.
Life insurance companies and pension funds (private funds and funds for state and local government employees) together have accounted for approximately the same percentage of credit supplied over the past two decades. Pension funds, however, have become particularly important providers of equity capital. In the 1990s, they have held about 25 percent of total corporate equities, almost double their share in the 1970s (table 6).


<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Households and non-profit organizations</td>
<td>82</td>
<td>61</td>
<td>52</td>
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<tr>
<td>Rest of the world</td>
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<td>6</td>
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<tr>
<td>Insurance companies</td>
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<td>5</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Pension funds</td>
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<td>14</td>
<td>24</td>
<td>24</td>
</tr>
<tr>
<td>Mutual funds</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>12</td>
</tr>
<tr>
<td>Other¹</td>
<td>2</td>
<td>11</td>
<td>8</td>
<td>4</td>
</tr>
</tbody>
</table>

1. State and local governments excluding employee retirement funds; commercial banking institutions; savings institutions; bank personal trusts and estates; and security brokers and dealers.

SOURCE. Flow of funds accounts. Z.1 statistical release, table L.213.
This chapter describes characteristics of the data in the flow of funds accounts and discusses procedures for seasonally adjusting and estimating the data.

**Time series**

The data in the accounts are maintained as economic time series, that is, as sets of observations of economic variables collected at regular time intervals, with one observation for each period. All series begin in 1945. Through 1951, only annual data are available. Quarterly data for the accounts are available from 1952 onward. When time series are created for new financial instruments or new sectors, values for periods before the start of activity are assumed to be zero, and when a financial instrument no longer exists (for example, deposits in the Postal Savings System, an item that was discontinued in 1985), the item is carried at zero from then on to facilitate compilation of the accounts; thus, a complete time series exists for every item in the accounts. Annual series corresponding to each quarterly series also exist through the latest complete year covered by the accounts.

**Flows and levels**

The flow of funds accounts are published in both flow and levels versions; most flow tables have a corresponding levels table. A flow variable is one that shows an amount of change over a period of time. Personal income—the amount individuals earn during a particular period of time, such as a week, month, or year—is a flow variable, as are the net acquisition of government securities and borrowing from banks.

A level, also referred to as a stock variable, or an outstanding, shows a value at a particular point in time. The balance in an individual’s checking account at the end of a particular day is a level. Holdings of equities by households at the end of a quarter and commercial mortgage debt outstanding at commercial banks are other examples of levels.

The tables in part 2 of this Guide show the flows reported in the accounts for 1997. Many series exist as both flows and levels; some series, however, exist only in flow form. In many cases, data collected from reports or other sources for use in the accounts are in levels form; staff members of the Flow of Funds Section calculate the flows from these series, taking account of changes in value or series breaks where appropriate.

**Series breaks**

Data for many flow series in the flow of funds accounts are found by calculating changes in levels between two periods. In some instances, however, the change in the level does not equal the flow; the difference between the change in the level and the flow is called a “series break.” One reason for differences is that some series are shown at market value rather than at book value (that is, historical cost). For series shown at book value, the flow ordinarily equals the change in the level; for series shown at market value, the change in the level between two periods is seldom equal to the flow. For example, corporate equities that are held as assets are valued in the accounts on a market-value basis, and the level for any period differs from that for the previous period by the flow, or net issuance,
The levels that appear in the flow of funds accounts are the values outstanding for the series on the last day of the period, and the flows are the changes from the last day of one period to the last day of the next period. In this respect the data in the accounts differ from those that appear in a number of other Federal Reserve publications, which show data as average values during the period.

The quarterly flow of funds publications cover the three-month periods ending in March, June, September, and December, as do NIPA figures. Tables of annual values outstanding give figures as of the last day of the year, which are the same as the fourth-quarter levels. Annual flows are the total of the four unadjusted quarterly flows for the year; they are equal to the sum of the four seasonally adjusted quarterly flows at annual rates divided by four.

Revisions

Revisions to time series in the flow of funds accounts are incorporated when they become available. In practice, most revisions apply to fairly recent periods, but in some cases they cover longer spans of time. For example, each year the NIPA are revised for the most recent three years, but periodically a longer-term benchmark revision is published by the BEA; the revisions are fully incorporated into the flow of funds accounts when they are released. Occasionally, data for new sectors or new financial instruments are introduced into the accounts as a result of developments in financial markets, and the data may be included in aggregates such as credit market debt or broader financial instrument categories; these totals are then revised to the extent that non-zero values exist for the new items for earlier time periods. The introductory material in each quarterly Z.1 release reports changes in the structure of the accounts and significant revisions appearing for the first time.

Seasonal adjustment

In the Z.1 release, quarterly flows are presented at seasonally adjusted annual rates. Seasonal adjustment is the application of a set of statistical procedures to an economic time series to remove the effect of regular variation of data within the year. Many series show seasonal variation. For example, individuals regularly increase their use of consumer credit at certain times of the year as they make holiday or other seasonal purchases. Chart 11 illustrates the effect of seasonally adjusting the quarterly series for consumer credit liabilities of households in the flow of funds accounts for the years 1976 through 1997. The plot of the unadjusted series shows the sharp drop in credit use in the first quarter of each year. When the recurring seasonal movements are removed from the data, as shown in the plot of seasonally adjusted data, changes in the data that are related to nonseasonal factors,
such as the business cycle and long-term trends, can be seen more clearly.

Data at seasonally adjusted annual rates are calculated by multiplying the seasonally adjusted quarterly flow figures by 4. These data at annual rates are an estimate of the annual total should the series continue at the same rate for the entire year. The use of annual rates allows comparison of the data for a particular quarter with data for entire years or with data for other periods of different length expressed at annual rates.

The flow of funds data are seasonally adjusted using the X-11-ARIMA procedure developed by Statistics Canada. The procedure first models the data using one of several ARIMA (autoregressive integrated moving average) models. It then extrapolates unadjusted data one year forward and backward at the ends of the series and seasonally adjusts the new, longer series using the X-11 seasonal adjustment method, which smooths the series by sequentially calculating several kinds of moving averages. The extrapolation step in the X-11-ARIMA results in better estimates for current periods than those produced by the X-11 procedure alone. An additive adjustment is used on flow of funds series, and the output of the procedure is a set of seasonal factors for each series that are added to the unadjusted flow data to obtain the seasonally adjusted flows.

In the flow of funds accounts, levels data are not adjusted, and not all flow series are adjusted. The decision to seasonally adjust a flow series is made at the time of an annual review of the accounts and the procedures for calculating the data. As part of this process, staff members of the Flow of Funds Section perform the F-test for the presence of stable seasonality from the X-11-ARIMA procedure on all the basic inputs in the flow of funds database, including unpublished intermediate series, to determine whether the data for a series exhibit statistically significant seasonal variation and whether the seasonal variation is stable over the most recent period, usually the past ten years. If the F-test indicates that a series has a stable seasonal pattern over the period in question, at a 5 percent level of significance, the behavior of the series is further examined by an economist who regularly follows the subject matter of the series to determine whether the series should in fact be adjusted.

**Interpolation**

Some of the information used for the flow of funds accounts is produced or published by the original sources only as annual data. Before the annual data can be used in the accounts, they must be converted to quarterly form. Staff members of the Flow of Funds Section do this using a variety of methods, including the development of econometric models for the series and judgmental analysis. Two simple methods that are cited in the tables in this Guide are the K–L method and the ratio method.

**K–L method**

The K–L method is an interpolation procedure that creates quarterly values based on the behavior of the series in preceding and subsequent years. The method involves the following formulas:

\[
QU_i = (11AU_{i-1} + 5AU_{i+1} - 6N_i + 32)/64
\]

\[
QU_2 = (9AU_{i-1} + 7AU_{i+1} - 10N_i + 32)/64
\]

\[
QU_3 = (7AU_{i-1} + 9AU_{i+1} - 10N_i + 32)/64
\]

\[
QU_4 = AU_i - QU_1 - QU_2 - QU_3,
\]

where \(QU_i\) is the unadjusted flow for the \(i\)th quarter; \(t\) is the period or year in question; \(AU\) is the annual flow to be interpolated; and \(N\) is calculated as

\[
N_i = AU_{i-1} + AU_{i+1} - 2AU_i.
\]

---

3. The K–L method is named after Hyman Kaitz and Maurice Liebenberg, former statisticians at the Department of Commerce who developed a similar method of converting annual data to quarterly values.
Amounts outstanding, or levels, are calculated as follows:

\[ QL_{t-1} = AL_{t-1} \]
\[ QL_1 = QL_{t-1} + QU_1, \]
\[ QL_2 = QL_1 + QU_2, \]
\[ QL_3 = QL_2 + QU_3, \]
\[ QL_4 = AL_t, \]

where \( QLi \) is the level for the \( i \)th quarter and \( AL \) is the level at the end of the year in question for the annual series to be interpolated. For series that have breaks resulting from statistical discontinuities or revaluations (see the section above on series breaks), the breaks are retained by performing the K–L procedure separately on the flows and on the first differences of the levels and then changing the levels by the amount of the interpolated first differences (but retaining the interpolated flows). (Alternatively, the amount of the break can be inserted manually in a particular quarter so that the discrepancy affects only that period.)

The quarterly series derived by the K–L method display smooth intra-year movements that are based on the earlier and subsequent annual movements. The procedure requires no additional information and is suitable for calculating values for a large number of series at the same time. A deficiency of the K–L method is that quarterly movements in the created series do not necessarily reflect changes resulting from economic conditions.

**Ratio method**

In the ratio method, the series is first calculated as a proportion of an annual total flow or of the year-end level for a related annual series for which quarterly data are also available (referred to as the “base” series); a separate proportion, or ratio, is calculated for each year. The quarterly values in the base series are then multiplied by the yearly ratio to obtain quarterly values for the series being interpolated.

Series for consumption of fixed capital provide an example. Only annual data are available for consumption of fixed nonresidential equipment and structures capital by financial institutions. However, quarterly data are available for total private consumption of fixed capital, which can serve as the base series. The ratio of consumption of fixed capital in the series in question to that in the base series is calculated for each year, and the quarterly values are obtained by multiplying the calculated ratios by the quarterly value for total private consumption of fixed capital.

The formulas for calculating the ratio are as follows:

\[ R_i = A_i / (BQ_1 + BQ_2 + BQ_3 + BQ_4) \]

for a flow series

\[ R_i = A_i / BQ_4, \]

for a levels series

\[ AQ_1 = R_i BQ_1, \]
\[ AQ_2 = R_i BQ_2, \]
\[ AQ_3 = R_i BQ_3, \]
\[ AQ_4 = R_i BQ_4, \]

or

\[ AQ_4 = A_i - AQ_1 - AQ_2 - AQ_3, \]

where \( R \) is the value of the ratio, \( A \) is the annual total for the series to be interpolated, \( BQi \) is the value of the base series for the \( i \)th quarter, and the values for \( AQi \) are the quarterly values that result from the procedure. For flow series, the sum of the four values for \( AQi \) may be slightly different from the annual flow \( (A_i) \) because of rounding errors; to eliminate this problem, the flow value for one quarter can be calculated as a residual. The ratio for the preceding year is used for current quarters when data for the entire year of the base series are not yet available.

Data calculated using the ratio method must be reviewed carefully when the base series reflects economic events that might distort the results. For example, in past years BEA has made large adjustments to total private consumption of fixed capital in the NIPA because of damage caused by hurricanes. In cases like
this, it may not be appropriate for all series that are calculated as a proportion of the base series to show a similarly large change.

**Extrapolation**

In some instances—when data are available only with a long lag, when the publication schedule for a source does not coincide with that of the flow of funds accounts, or when a temporary estimate is needed for a series value that will arrive late—staff members of the Flow of Funds Section estimate the data for current quarters. For series that exhibit little variation over a year, or whose current behavior is not well known, an extrapolation procedure is available to estimate current values. The estimates are based on the past behavior of the series.

The formulas for calculating seasonally adjusted flow values by this procedure are as follows:

\[ f_s = \frac{(4f_{s_{t-4}} + f_{s_{t-8}} - 2f_{s_{t-12}})}{3} \]

\[ f_a = 4\left(\frac{7(f_{a_{t-1}} + f_{a_{t-2}}) - (3(f_{a_{t-3}} + f_{a_{t-4}}) + 4)}{32}\right) \]

\[ f_u = f_a / 4 - f_s \]

where \( f_s \) is the seasonal factor, equal in past time periods to the seasonally adjusted flow at quarterly rates less the unadjusted flow; \( f_a \) is the seasonally adjusted flow; \( f_u \) is the unadjusted flow; and \( t \) is the period or quarter in question.

**Valuation**

Data published in flow of funds tables are stated in nominal, or actual, dollar amounts; no data are presented in “real” terms (that is, adjusted for the effects of inflation). Flows are stated at the prices at which transactions take place. In tables of values outstanding, corporate equities are shown at market value, and data series that include holdings of corporate equities reflect the market valuation of the equities components. (Examples of series with equities components are insurance and pension fund reserves, total financial assets of sectors that hold equities, and mutual fund shares. Table B.100.e, “Balance Sheet of Households and Nonprofit Organizations with Equity Detail,” a supplementary table not covered in this Guide that appears at the end of the Z.1 release, shows direct and indirect holdings of equities by the households and nonprofit organizations sector.) Almost all series other than equities are shown at book, or historical, value.
Part 2
Derivation of the
Flow of Funds Accounts
Format of the Tables

Line numbering and subentries

As noted in part 1, the tables in this part of the Guide correspond to the flow tables in the Federal Reserve Board’s Z.1 statistical release. Each line in the Z.1—called a “main line” or a “main series” here—appears in the tables in this Guide in boldface type with the same line number as in the Z.1.

Subentries to a main line (“sublines”)—identified by the number of the main line plus a letter or letters, for example, 2a—are, in most cases, series that are components of the main line. The explanation of the main series, which appears in the rightmost column of the table, lists all the component series that enter into its calculation. If, however, a component series also appears as a subline earlier in the same table or as a main line elsewhere in the table, the explanation for the main line cites the line number of the component series, but the component series itself does not appear as a subline. Therefore, the sublines to a main line do not necessarily constitute all the components of the main series.

Also, because some calculations begin with a total and then subtract component series to obtain the series in question, and because some lines are calculated as percentages of other lines, series shown as sublines are not necessarily conceptual subcategories of the main line under which they appear. Sublines appear in approximately the same order as the sector and instrument categories to which they refer in the Z.1 release—for example, sublines for the households and nonprofit organizations sector appear before sublines for the business sectors.

Terminology

The terminology used in the tables to refer to a series varies somewhat depending on the circumstances. For example, series that represent assets of a sector may be identified as being “assets of,” “held by,” “receivable by,” or “owed to” that sector. Similarly, liabilities may be identified as “liabilities of,” “debt of,” “owed by,” or “payable by” the sector. Loan borrowings are “loans to” the sector, and other sources of funds are “funds raised by” or “equity issuance” by the sector. For example, “commercial mortgages held by state and local government employee retirement funds” are assets of the sector. The tables in the Guide deal with flow (rather than levels) magnitudes, and the identification for most series indicates the nature of the flows: Series obtained by differencing the values outstanding at the end of successive quarters are referred to as the “change in” the particular item; series obtained directly as flow data are referred to as “purchases of” or “issuance of” the item, sometimes with further specification for net or gross flows. All series from the NIPA and many series from tables for international transactions of the United States are, however, identified by the name of the item, with no reference to a type of flow; these items are flow series only and have no corresponding levels.

Dollar values

Data in the tables and in electronic files are expressed in billions of dollars. An asterisk is shown for non-zero values of less than $50 million. An entry of “.0” indicates that the value is exactly zero.
Series Codes

Each data series in the flow of funds accounts is identified by a computer retrieval code, or mnemonic. The codes have a systematic structure—nine digits preceded by a two-letter prefix and followed by a period and a one-letter suffix. The tables in this part of the Guide, and in most other printed versions of the accounts that include the codes, show only the nine-digit portion of the code or, in some places, the last eight of the nine when the first digit is zero. (The tables reproduced from the Z.1 release at the beginning of the descriptive tables show the “fa” prefix described below.)

The code for net acquisition of financial assets by the households and nonprofit organizations sector, fa154090005.q, is used as an example in the following detailed description of the structure of the codes.

- **Prefix**—Two letters indicate whether the series is expressed as flows that are seasonally adjusted annual rates (“fa”), flows that are not adjusted (“fu”), or levels (“fl”). Thus, in the example, the “fa” shows that the data in the series are seasonally adjusted flows at annual rates; the series for unadjusted flows for net acquisition of financial assets by the households and nonprofit organizations sector would have the same series code, except that it would have an “fu” prefix. Time series are also maintained for seasonal factors (“fs”) and, for many series, breaks in individual series (“fd”), growth rates (“fg”), and changes in levels (“fr”).

- **Digits 1 and 2**—The first two digits of the series code indicate the sector to which the series applies (see accompanying list of sector codes). In the example, the first two digits, 15, signify the households and nonprofit organizations sector. Most codes in the household sector tables begin with 15, but codes indicating other sectors may also appear. The series for deferred and unpaid life insurance premiums, fl543077003.q, for example, is both an asset of life insurance companies (sector 54) and a liability of the households and nonprofit organizations sector. Rather than have two series for the same item, the same code is used for both sectors.

- **Digits 3 through 8**—The next six digits of the series code indicate the type of transaction in terms of a financial instrument or category (see accompanying list of instrument codes). For financial instruments (which have instrument codes beginning 2, 3, or 4), the fourth digit of the entire series code is 0 for asset series and 1 for liability series. Digits 3 through 8 of the example, 409000, signify total financial assets; digits 3 through 8 in the code for total liabilities would be 419000. Digits 3 through 8 of the series code for total financial assets are 409000 for all sectors. Instrument codes beginning with 5 and higher signify net financial investment, nonfinancial items such as saving and investment, and sector discrepancies.

- **Digit 9**—The final digit of the series code indicates the seasonal-adjustment or calculation status of the series. Series having codes ending with 0 are seasonally adjusted by Flow of Funds Section staff (see the section on seasonal adjustment in part 1), and those having codes ending with 3 are either not seasonally adjusted or, for some series taken from the NIPA, an unadjusted flow is not available and the adjusted flow at quarterly rates is used for the unadjusted flow. The final digit can also indicate that the series is taken from the NIPA or the balance of payments accounts (many of these series have codes ending in 1) or that the series is calculated from other series in the flow of funds accounts, in which case the code ends with 5.
• **Suffix**—Series codes end with a period and a letter to indicate the frequency of the data—"a" for annual, "q" for quarterly, and "m" for monthly. Thus, the total financial assets series used as the example is a quarterly series.


**Sector codes**

Sector codes are the first two numerical digits of each series code; for example, in the series code fa154090005.q, the first two digits, 15, indicate that the series applies to the households and nonprofit organizations sector.

In the following list of sector codes used in the flow of funds accounts, numbers in parentheses give detail on the composition of the sector groups; for example, the sector group designated by 12, nonfarm business, is composed of sectors 10 and 11, nonfarm nonfinancial corporate business and nonfarm noncorporate business. Some of the codes shown below are not used in this Guide because they do not appear in the tables that are covered here, but they are found elsewhere in the accounts.

<table>
<thead>
<tr>
<th>CODE</th>
<th>SECTOR OR GROUP</th>
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<tbody>
<tr>
<td>07</td>
<td>Price indexes</td>
</tr>
<tr>
<td>08</td>
<td>Elements of gross domestic product (GDP)</td>
</tr>
<tr>
<td>09</td>
<td>Corporate business</td>
</tr>
<tr>
<td>10</td>
<td>Nonfarm nonfinancial corporate business</td>
</tr>
<tr>
<td>11</td>
<td>Nonfarm noncorporate business</td>
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<tr>
<td>12</td>
<td>Nonfarm business (10 + 11)</td>
</tr>
<tr>
<td>13</td>
<td>Farm business</td>
</tr>
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<td>14</td>
<td>Nonfinancial business (12 + 13)</td>
</tr>
<tr>
<td>15</td>
<td>Households and nonprofit organizations</td>
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<tr>
<td>16</td>
<td>Nonprofit organizations</td>
</tr>
<tr>
<td>17</td>
<td>Personal sector (11 + 13 + 15)</td>
</tr>
<tr>
<td>18</td>
<td>Corporate farm business</td>
</tr>
<tr>
<td>19</td>
<td>Private domestic nonfinancial sectors, excluding state and local governments (14 + 15)</td>
</tr>
<tr>
<td>20</td>
<td>State and local governments</td>
</tr>
<tr>
<td>21</td>
<td>State and local governments, excluding employee retirement funds</td>
</tr>
<tr>
<td>22</td>
<td>State and local government employee retirement funds</td>
</tr>
<tr>
<td>23</td>
<td>Noncorporate farm business</td>
</tr>
<tr>
<td>25</td>
<td>Domestic nonfinancial nonfederal sectors (19 + 21)</td>
</tr>
<tr>
<td>26</td>
<td>Rest of the world</td>
</tr>
<tr>
<td>27</td>
<td>International banking facilities</td>
</tr>
<tr>
<td>29</td>
<td>All nonfinancial sectors except federal government (25 + 26)</td>
</tr>
<tr>
<td>31</td>
<td>Federal government</td>
</tr>
<tr>
<td>32</td>
<td>Federal government, excluding the Federal Financing Bank</td>
</tr>
<tr>
<td>33</td>
<td>Federal-related and rest of the world (26 + 31 + 40 + 41 + 71)</td>
</tr>
<tr>
<td>34</td>
<td>Federal Financing Bank</td>
</tr>
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</table>
### Sector codes—continued

<table>
<thead>
<tr>
<th>CODE</th>
<th>SECTOR OR GROUP</th>
</tr>
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<tbody>
<tr>
<td>35</td>
<td>Total mortgage pools</td>
</tr>
<tr>
<td>36</td>
<td>Government (20 + 31)</td>
</tr>
<tr>
<td>37</td>
<td>Government-related except federally related mortgage pools (21 + 31 + 40 + 71)</td>
</tr>
<tr>
<td>38</td>
<td>Domestic nonfinancial sectors (25 + 31)</td>
</tr>
<tr>
<td>39</td>
<td>Nonfinancial sectors (26 + 38)</td>
</tr>
<tr>
<td>40</td>
<td>Government-sponsored enterprises</td>
</tr>
<tr>
<td>41</td>
<td>Federally related mortgage pools</td>
</tr>
<tr>
<td>42</td>
<td>Government-sponsored enterprises and federally related mortgage pools (40 + 41)</td>
</tr>
<tr>
<td>44</td>
<td>Savings institutions</td>
</tr>
<tr>
<td>47</td>
<td>Credit unions</td>
</tr>
<tr>
<td>49</td>
<td>Thrift institutions (44 + 47)</td>
</tr>
<tr>
<td>50</td>
<td>Funding corporations</td>
</tr>
<tr>
<td>51</td>
<td>Other (that is, property-casualty) insurance companies</td>
</tr>
<tr>
<td>54</td>
<td>Life insurance companies</td>
</tr>
<tr>
<td>55</td>
<td>Closed-end funds</td>
</tr>
<tr>
<td>57</td>
<td>Private pension funds and the Federal Employees Retirement System Thrift Savings Plan</td>
</tr>
<tr>
<td>58</td>
<td>Insurance companies and pension funds (22 + 51 + 54 + 57)</td>
</tr>
<tr>
<td>60</td>
<td>Bank personal trusts and estates</td>
</tr>
<tr>
<td>61</td>
<td>Finance companies</td>
</tr>
<tr>
<td>62</td>
<td>Mortgage companies</td>
</tr>
<tr>
<td>63</td>
<td>Money market mutual funds</td>
</tr>
<tr>
<td>64</td>
<td>Real estate investment trusts</td>
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<tr>
<td>65</td>
<td>Mutual funds</td>
</tr>
<tr>
<td>66</td>
<td>Security brokers and dealers</td>
</tr>
<tr>
<td>67</td>
<td>Issuers of asset-backed securities</td>
</tr>
<tr>
<td>68</td>
<td>Private financial institutions not elsewhere classified (50 + 55 + 60 + 61 + 62 + 63 + 64 + 65 + 66 + 67)</td>
</tr>
<tr>
<td>69</td>
<td>Private nonbank financial institutions (49 + 58 + 68)</td>
</tr>
<tr>
<td>70</td>
<td>Private depository institutions (49 + 76)</td>
</tr>
<tr>
<td>71</td>
<td>Monetary authority</td>
</tr>
<tr>
<td>72</td>
<td>U.S.-chartered commercial banks</td>
</tr>
<tr>
<td>73</td>
<td>Bank holding companies</td>
</tr>
<tr>
<td>74</td>
<td>Banks in U.S.-affiliated areas</td>
</tr>
<tr>
<td>75</td>
<td>Foreign banking offices in the U.S.</td>
</tr>
<tr>
<td>76</td>
<td>Commercial banking (72 + 73 + 74 + 75)</td>
</tr>
<tr>
<td>77</td>
<td>Total banking (71 + 76)</td>
</tr>
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</table>
### Sector codes—continued

<table>
<thead>
<tr>
<th>Code</th>
<th>Sector or Group</th>
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</thead>
<tbody>
<tr>
<td>78</td>
<td>Total private finance (69 + 76)</td>
</tr>
<tr>
<td>79</td>
<td>Total finance (42 + 71 + 78)</td>
</tr>
<tr>
<td>83</td>
<td>Domestic sectors except federal government (25 + 79)</td>
</tr>
<tr>
<td>84</td>
<td>Domestic sectors excluding government-related (19 + 78)</td>
</tr>
<tr>
<td>85</td>
<td>Domestic sectors including federal government (31 + 83)</td>
</tr>
<tr>
<td>87</td>
<td>Private domestic sectors excluding federal-government-related (25 + 78)</td>
</tr>
<tr>
<td>88</td>
<td>All domestic sectors (89 – 26)</td>
</tr>
<tr>
<td>89</td>
<td>All sectors</td>
</tr>
<tr>
<td>90</td>
<td>Instrument discrepancies</td>
</tr>
<tr>
<td>91</td>
<td>Residual discrepancies</td>
</tr>
</tbody>
</table>
Instrument codes

Instrument codes are the third through eighth digits of each series code; for example, in the series code fa154909005.q, the third through eighth digits, 4909000, indicate that the series is for total financial assets.

Because of the large number of instrument codes used in the flow of funds accounts, only selected codes (generally those most commonly used) are included in the following list; other instrument codes are variations of those listed here and are used in only a few of the series codes.

For financial instruments—those having instrument codes that begin with 2, 3, or 4—most of the codes are listed as asset-liability pairs. The second digit of the instrument code for assets is 0, and the second digit of the instrument code for liabilities is 1. For some types of instruments, such as small time deposits (instrument code 313100), only one variation is listed because the asset (or liability) currently does not have a corresponding liability (or asset) series in the accounts.

<table>
<thead>
<tr>
<th>Code</th>
<th>Instrument Type</th>
</tr>
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<tbody>
<tr>
<td>205000</td>
<td>Federal funds transactions and loans made under security</td>
</tr>
<tr>
<td>215000</td>
<td>repurchase agreements</td>
</tr>
<tr>
<td>301100</td>
<td>International reserves</td>
</tr>
<tr>
<td>311100</td>
<td></td>
</tr>
<tr>
<td>301200</td>
<td>Treasury currency</td>
</tr>
<tr>
<td>311200</td>
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</tr>
<tr>
<td>301300</td>
<td>Depository institution reserves, excluding vault cash</td>
</tr>
<tr>
<td>311300</td>
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</tr>
<tr>
<td>302000</td>
<td>Checkable deposits and currency</td>
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<td>312000</td>
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</tr>
<tr>
<td>312260</td>
<td>Deposits owed to foreigners</td>
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<tr>
<td>302310</td>
<td>U.S. government transaction deposits</td>
</tr>
<tr>
<td>312310</td>
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<tr>
<td>302500</td>
<td>Currency</td>
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<td>312500</td>
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<td>302700</td>
<td>Other checkable deposits</td>
</tr>
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<td>312700</td>
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</tr>
<tr>
<td>302800</td>
<td>State and local government transaction deposits</td>
</tr>
<tr>
<td>312800</td>
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</tr>
<tr>
<td>303000</td>
<td>Total time deposits</td>
</tr>
<tr>
<td>313000</td>
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</tr>
<tr>
<td>313100</td>
<td>Small time deposits</td>
</tr>
<tr>
<td>303400</td>
<td>Money market mutual fund share holdings</td>
</tr>
<tr>
<td>313500</td>
<td>Large time deposits</td>
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## Instrument codes—continued

<table>
<thead>
<tr>
<th>CODE</th>
<th>INSTRUMENT TYPE</th>
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<tbody>
<tr>
<td>313900</td>
<td>Deposit liabilities of savings institutions; also, nontransaction accounts</td>
</tr>
<tr>
<td>313970</td>
<td>Retail repurchase agreements</td>
</tr>
<tr>
<td>304000</td>
<td>Life insurance reserves</td>
</tr>
<tr>
<td>314000</td>
<td></td>
</tr>
<tr>
<td>305000</td>
<td>Pension fund reserves</td>
</tr>
<tr>
<td>315000</td>
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</tr>
<tr>
<td>306100</td>
<td>Total U.S. government securities</td>
</tr>
<tr>
<td>316100</td>
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</tr>
<tr>
<td>306110</td>
<td>Total Treasury securities, excluding U.S. savings bonds</td>
</tr>
<tr>
<td>316110</td>
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</tr>
<tr>
<td>316140</td>
<td>U.S. savings bonds</td>
</tr>
<tr>
<td>306170</td>
<td>U.S. government agency securities (issues by federal agencies, federally</td>
</tr>
<tr>
<td>316170</td>
<td>sponsored credit agencies, and federally related mortgage pools); includes</td>
</tr>
<tr>
<td></td>
<td>U.S. government loan participations</td>
</tr>
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<td>306200</td>
<td>Municipal securities and loans</td>
</tr>
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<td>316200</td>
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</tr>
<tr>
<td>306300</td>
<td>Corporate and foreign bonds</td>
</tr>
<tr>
<td>316300</td>
<td></td>
</tr>
<tr>
<td>306400</td>
<td>Corporate equities and mutual fund shares</td>
</tr>
<tr>
<td>316400</td>
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</tr>
<tr>
<td>306410</td>
<td>Corporate equities</td>
</tr>
<tr>
<td>316410</td>
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</tr>
<tr>
<td>306420</td>
<td>Mutual fund share holdings</td>
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<tr>
<td>306500</td>
<td>Total mortgages</td>
</tr>
<tr>
<td>316500</td>
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</tr>
<tr>
<td>306510</td>
<td>Home mortgages</td>
</tr>
<tr>
<td>316510</td>
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</tr>
<tr>
<td>306540</td>
<td>Multifamily residential mortgages</td>
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<tr>
<td>316540</td>
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</tr>
<tr>
<td>306550</td>
<td>Commercial mortgages</td>
</tr>
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<td>316550</td>
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</tr>
<tr>
<td>306560</td>
<td>Farm mortgages</td>
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</tr>
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<td>CODE</td>
<td>INSTRUMENT TYPE</td>
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<td>Consumer credit</td>
</tr>
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<td>316600</td>
<td>Consumer credit</td>
</tr>
<tr>
<td>306700</td>
<td>Security credit</td>
</tr>
<tr>
<td>316700</td>
<td>Security credit</td>
</tr>
<tr>
<td>306800</td>
<td>Bank loans not elsewhere classified; also, foreign loans to nonfarm nonfinancial corporate business</td>
</tr>
<tr>
<td>316800</td>
<td>Bank loans not elsewhere classified; also, foreign loans to nonfarm nonfinancial corporate business</td>
</tr>
<tr>
<td>306810</td>
<td>Commercial and industrial loans</td>
</tr>
<tr>
<td>316810</td>
<td>Commercial and industrial loans</td>
</tr>
<tr>
<td>306910</td>
<td>Commercial paper issued by financial firms; also, total open market paper</td>
</tr>
<tr>
<td>316910</td>
<td>Commercial paper issued by financial firms; also, total open market paper</td>
</tr>
<tr>
<td>306920</td>
<td>Loans by U.S. government and government-sponsored enterprises</td>
</tr>
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<td>Loans by U.S. government and government-sponsored enterprises</td>
</tr>
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<td>Other loans and advances</td>
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<td>316925</td>
<td>Other loans and advances</td>
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<tr>
<td>306940</td>
<td>Policy loans; also, warehousing advances held by Sallie Mae</td>
</tr>
<tr>
<td>316940</td>
<td>Policy loans; also, warehousing advances held by Sallie Mae</td>
</tr>
<tr>
<td>306950</td>
<td>Business loans</td>
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<td>Business loans</td>
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<td>Acceptances</td>
</tr>
<tr>
<td>316960</td>
<td>Acceptances</td>
</tr>
<tr>
<td>306970</td>
<td>Commercial paper issued by nonfinancial firms</td>
</tr>
<tr>
<td>316970</td>
<td>Commercial paper issued by nonfinancial firms</td>
</tr>
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<td>Trade credit (debt)</td>
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<td>Trade credit (debt)</td>
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<td>307600</td>
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<td>Insurance or pension fund claims</td>
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<tr>
<td>307800</td>
<td>‘Taxes receivable by governments (taxes payable by businesses)</td>
</tr>
<tr>
<td>317800</td>
<td>‘Taxes receivable by governments (taxes payable by businesses)</td>
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<tr>
<td>308000</td>
<td>Proprietors’ investment in unincorporated business</td>
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<td>Proprietors’ investment in unincorporated business</td>
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<tr>
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<td>Total miscellaneous financial claims</td>
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<tr>
<td>319000</td>
<td>Total miscellaneous financial claims</td>
</tr>
<tr>
<td>309100</td>
<td>Private and non-official foreign deposits; also, Federal Home Loan Bank deposits</td>
</tr>
<tr>
<td>319100</td>
<td>Private and non-official foreign deposits; also, Federal Home Loan Bank deposits</td>
</tr>
<tr>
<td>309200</td>
<td>Direct investment; also, equity claims</td>
</tr>
<tr>
<td>319200</td>
<td>Direct investment; also, equity claims</td>
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</table>
**Instrument codes—continued**

<table>
<thead>
<tr>
<th>CODE</th>
<th>INSTRUMENT TYPE</th>
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<tbody>
<tr>
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<tr>
<td>309400</td>
<td>Equity investment in subsidiaries</td>
</tr>
<tr>
<td>319400</td>
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</tr>
<tr>
<td>319500</td>
<td>Insurance reserve liabilities other than life and pension fund</td>
</tr>
<tr>
<td>309650</td>
<td>Collateral repayable, supplied to back borrowed securities</td>
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<tr>
<td>400000</td>
<td>Total deposits and currency; also, cash and investments; also, money market</td>
</tr>
<tr>
<td>410000</td>
<td>mutual fund assets</td>
</tr>
<tr>
<td>400200</td>
<td>Credit and equity market instruments</td>
</tr>
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</tr>
<tr>
<td>400400</td>
<td>Credit market instruments, excluding corporate equities</td>
</tr>
<tr>
<td>410400</td>
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</tr>
<tr>
<td>401000</td>
<td>Interbank items</td>
</tr>
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</tr>
<tr>
<td>409000</td>
<td>Total financial assets (total liabilities)</td>
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<td>500000</td>
<td>Net financial investment</td>
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<tr>
<td>501100</td>
<td>Consumer durable goods</td>
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<tr>
<td>501200</td>
<td>Expenditures on residential construction</td>
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<tr>
<td>501300</td>
<td>Expenditures on nonresidential equipment and structures</td>
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<tr>
<td>505000</td>
<td>Total capital expenditures</td>
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<tr>
<td>508000</td>
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<tr>
<td>600010</td>
<td>Gross saving</td>
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<tr>
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<td>Dividends</td>
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<tr>
<td>623100</td>
<td>Profit tax accruals</td>
</tr>
<tr>
<td>630000</td>
<td>Consumption of fixed capital</td>
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</table>
### Instrument codes—continued

<table>
<thead>
<tr>
<th>Code</th>
<th>Instrument Type</th>
</tr>
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<tbody>
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<td>Consumption of fixed capital (alternate code)</td>
</tr>
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<td>Capital consumption adjustment</td>
</tr>
<tr>
<td>690100</td>
<td>Current purchases</td>
</tr>
<tr>
<td>690200</td>
<td>Gross domestic product; also, exports</td>
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<tr>
<td>690210</td>
<td>Factor income receipts from the rest of the world</td>
</tr>
<tr>
<td>690300</td>
<td>Imports</td>
</tr>
<tr>
<td>690310</td>
<td>Factor income payments to the rest of the world</td>
</tr>
<tr>
<td>700500</td>
<td>Sector discrepancy</td>
</tr>
</tbody>
</table>
Abbreviations

The following abbreviations are used in this Guide—and especially in the tables later in this part—to refer to reports, publications, and organizations that provide data for the flow of funds accounts. Italicized entries are described in the compilation of data sources that follows this list.

ADR  American depositary receipt
BEA  Bureau of Economic Analysis, U.S. Department of Commerce
BLM  Bureau of Land Management, U.S. Department of the Interior
CCC  Commodity Credit Corporation, U.S. Department of Agriculture
CMO  Collateralized mortgage obligation
DOD  U.S. Department of Defense
DOL  U.S. Department of Labor
EDA  Economic Development Administration, U.S. Department of Commerce
FDIC  Federal Deposit Insurance Corporation
FFB  Federal Financing Bank
FHA  Federal Housing Administration, U.S. Department of Housing and Urban Development
FHLB  Federal Home Loan Bank
FHLMC  Federal Home Loan Mortgage Corporation (Freddie Mac)
FICO  Financing Corporation
FmHA  Farmers Home Administration, U.S. Department of Agriculture (now part of the Farm Service Agency)
FNMA  Federal National Mortgage Association (Fannie Mae)
FOCUS  Financial and Operational Combined Uniform Single Report (of security brokers and dealers)
FOF  Flow of funds
FOF Section  Organizational unit within the Federal Reserve Board that produces the flow of funds accounts
FOGS  Report on Finances and Operations of Government Securities Brokers and Dealers
FR  Federal Reserve
FR Board  Board of Governors of the Federal Reserve System
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>FSLIC</td>
<td>Federal Savings and Loan Insurance Corporation</td>
</tr>
<tr>
<td>GNMA</td>
<td>Government National Mortgage Association, U.S. Department of Housing and Urban Development (Ginnie Mae)</td>
</tr>
<tr>
<td>GSA</td>
<td>General Services Administration</td>
</tr>
<tr>
<td>GSE</td>
<td>Government-sponsored enterprise</td>
</tr>
<tr>
<td>HHS</td>
<td>U.S. Department of Health and Human Services</td>
</tr>
<tr>
<td>HUD</td>
<td>U.S. Department of Housing and Urban Development</td>
</tr>
<tr>
<td>IBF</td>
<td>International banking facility</td>
</tr>
<tr>
<td>ICI</td>
<td>Investment Company Institute</td>
</tr>
<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
</tr>
<tr>
<td>IRS</td>
<td>Internal Revenue Service, U.S. Department of the Treasury</td>
</tr>
<tr>
<td>K–L method</td>
<td>Quarterly interpolation method patterned after Kaitz–Liebenberg procedure developed at the U.S. Department of Commerce</td>
</tr>
<tr>
<td>MBS</td>
<td>Mortgage-backed security</td>
</tr>
<tr>
<td>MMDA</td>
<td>Money market deposit account</td>
</tr>
<tr>
<td>NAIC</td>
<td>National Association of Insurance Commissioners</td>
</tr>
<tr>
<td>NAREIT</td>
<td>National Association of Real Estate Investment Trusts</td>
</tr>
<tr>
<td>NCUA</td>
<td>National Credit Union Administration</td>
</tr>
<tr>
<td>NIPA</td>
<td>National income and product accounts</td>
</tr>
<tr>
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<td>New York Stock Exchange</td>
</tr>
<tr>
<td>OTS</td>
<td>Office of Thrift Supervision, U.S. Department of the Treasury</td>
</tr>
<tr>
<td>PBGC</td>
<td>Pension Benefit Guaranty Corporation</td>
</tr>
<tr>
<td>Q</td>
<td>Quarter (for example, 1991:Q4)</td>
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<tr>
<td>QFR</td>
<td>Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations</td>
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<td>REFCORP</td>
<td>Resolution Funding Corporation</td>
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<td>REIT</td>
<td>Real estate investment trust</td>
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<td>REMIC</td>
<td>Real estate mortgage investment conduit</td>
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<tr>
<td>RTC</td>
<td>Resolution Trust Corporation</td>
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<tr>
<td>SBA</td>
<td>Small Business Administration</td>
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<tr>
<td>SCB</td>
<td>Survey of Current Business</td>
</tr>
<tr>
<td>SDRs</td>
<td>Special drawing rights</td>
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<tr>
<td>SEC</td>
<td>Securities and Exchange Commission</td>
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<tr>
<td>SLGS</td>
<td>State and local government series (nonmarketable U.S. Treasury securities held by state and local governments)</td>
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<tr>
<td>SOI</td>
<td>Internal Revenue Service Statistics of Income publications</td>
</tr>
<tr>
<td>TIC</td>
<td>Treasury International Capital Reporting System (now carried out by the Federal Reserve Board under reimbursement by the Treasury)</td>
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</table>
TVA Tennessee Valley Authority
USDA U.S. Department of Agriculture
USIT U.S. international transactions tables published in *Survey of Current Business*
VA U.S. Department of Veterans Affairs
X-11-ARIMA Seasonal adjustment method developed by Dr. Estela Bee Dagum of Statistics Canada ("ARIMA" stands for "autoregressive integrated moving average")
Sources of Data for the Accounts

Data for the flow of funds accounts come from a variety of government and nongovernment sources. Many of the data are published and are readily available to the public; others are not published formally but are available to the public upon request; still others, such as data provided by individual depository institutions in their financial reports, are obtained from internal databases maintained by offices within the Federal Reserve. Some of the data used in the preparation of the flow of funds accounts are proprietary data purchased from private companies; some information, from both government and private sources, is provided to the Federal Reserve because it is a public agency but may not be available to the public.

Listed below are sources of the data used in the accounts, as cited in this part of the Guide; the names and addresses of the institutions that compile or produce the data, and their Internet addresses if available, are also given. (Information is as of August 1999.)

PUBLICLY AVAILABLE MATERIALS

Actuarial Analysis of 19xx Operations for Life Insurance Programs Administered by the Department of Veterans Affairs. Source of information on loans on federal government life insurance policies. Available from the Department of Veterans Affairs, Regional Office and Insurance Center, Wissahickon Avenue and Manheim Street, P.O. Box 8079, Philadelphia, PA 19101. The Internet address of this Veterans Affairs office is http://www.vaphilly.com.

Agricultural Income and Finance Situation and Outlook Report. Source of information on checkable deposits and currency held by, and trade debt owed by, the farm business sector. Available from USDA, ERS-NASS, 5285 Port Royal Road, Springfield, VA 22161. Summaries of articles and the full text of the report are also available on the Internet at http://www.econ.ag.gov.


A.M. Best Company. Source of tabulations of data from quarterly and annual statements for life and health insurance companies and property-casualty insurance companies submitted on


Census, Bureau of the, Internet site. Source of information on the finances of state and local governments. The Internet address is http://www.census.gov (click on “Government” under “Business”).

Census of Governments, conducted every five years by the Bureau of the Census (for years ending in “2” and “7”). Source of information on the finances of state and local governments. Available from the Superintendent of Documents, Government Printing Office, Washington, DC 20402, and from the Bureau of the Census, Customer Services, P.O. Box 277943, Atlanta, GA 30384-7943; information on Census products and publications is also available on the Internet at http://www.census.gov.


Commercial Mortgage Alert, published weekly by Harrison Scott Publications, Inc. Source of information on the issuance of commercial-mortgage-backed securities. Available from Harrison Scott Publications, Inc., 5 Marine View Plaza, Suite 301, Hoboken, NJ 07030-5795. The company’s e-mail address is hsp@bellatlantic.net.


Comprehensive annual financial reports. Source of information on the assets and liabilities of state and local governments. Available from the controllers’ offices or accounting departments of individual state governments. Many states make information from these reports available on Internet sites; for example, reports for the State of New Jersey are available at http://www.state.nj.us/treasury/omb.

“Consumer Credit” (G.19 statistical release), published monthly by the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Financial Institutions Section.
Source of information on the consumer debt of households and on consumer credit extended by various lenders. Available from Publications Services, Board of Governors of the Federal Reserve System, Washington, DC 20551; also appears on the Board’s Internet site at http://www.federalreserve.gov/releases/G19.


The Depository Trust Company. Source of information on the issuance of commercial paper used in the Federal Reserve Board’s daily Commercial Paper release. The company’s address is Depository Trust Company, 55 Water Street, New York, NY 10041-0056; its Internet address is http://www.dtc.org.


FHLBank System Membership Report, provided to the Federal Reserve Board by the Federal Housing Finance Board. The FHFB’s address is Federal Housing Finance Board, 1777 F Street NW, Washington, DC 20006, and its Internet address is http://www.fhfb.gov.


Federal Retirement Thrift Investment Board. Source of information on the assets of the Federal Employees Retirement System Thrift Savings Plan. The board is located at 1250 H Street NW, Washington, DC 20005-5985. Annual statements of the Thrift Savings Plan can be obtained from the board’s Internet site, http://www.tsp.gov (click on “Forms & Pubs,” then on “Other Documents,” then on “Financial Statements”).


Finance companies, Federal Reserve Board quinquennial survey of assets and liabilities; monthly surveys of a sample of finance companies. Surveys tabulated internally by the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Financial Institutions Section. Sources of information on the assets and liabilities of finance companies. Articles on several past quinquennial surveys have appeared in the Federal Reserve Bulletin (the July 1997 issue contains an article on the 1996 survey); estimates of the assets and liabilities of finance companies based on both quinquennial and monthly surveys appear in the Federal Reserve Bulletin, table 1.51. The July 1997 article appears on the Board’s Internet site, http://www.federalreserve.gov (click on “Research and Data,” then on “Federal Reserve Bulletin Articles”).

Finances of Employee-Retirement Systems of State and Local Governments, published annually through 1991 by the U.S. Department of Commerce, Bureau of the Census (except every fifth year, when it was replaced by a volume from the Census of Governments entitled Employee-Retirement Systems of State and Local Governments; see above). Source of


Independent Consultants Cooperative data on the assets of employee benefit plans, obtained quarterly from Bankers Trust Company (Bankers Trust Company was acquired in 1999 by Deutsche Bank). Source of information for current estimates of the assets of private pension plans. Available from Bankers Trust–Deutsche Bank, Performance Evaluation Department, Mail Stop 3041, 100 Plaza One, Jersey City, NJ 07311. Deutsche Bank’s Internet address is http://www.deutsche-bank.com.


IRS/DOL/PBGC Form 5500, Annual Return/Report of Employee Benefit Plan, submitted to the Internal Revenue Service by private pension plans. Source of information on the assets and liabilities of private pension funds. Data provided on tape by the U.S. Department of Labor and tabulated by the Flow of Funds Section at the Federal Reserve Board. The DOL’s Internet address is http://www.dol.gov; a copy of Form 5500 can be obtained from the IRS’s Internet site, http://www.irs.gov (click on “Forms & Pubs,” then on “Forms and Instructions,” then scroll to the line for the form).

IRS Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts, submitted to the Internal Revenue Service by individuals or organizations having financial interest in, signature authority over, or other authority over one or more financial accounts in foreign countries. Source of information on the foreign deposit holdings of households. This form and its associated instructions can be downloaded from the IRS Internet site, http://www.irs.gov (click on “Forms & Pubs,” then on “Forms and Instructions,” then scroll to the line for the form).


“Loans Outstanding under Farmers Home Program,” made available quarterly by the Farmers Home Administration. Source of information through 1986 on loans to farmers. Obtained from U.S. Department of Agriculture, Farmers Home Administration, Finance Office, 1520 Market Street, St. Louis, MO 63103-2696.


*Monthly Credit Union Estimates,* published by the Credit Union National Association. Source of information on credit unions. Available from CUNA & Affiliates, P.O. Box 431, Madison, WI 53701-0431. CUNA’s Internet address is http://www.cuna.org.


Morgan Stanley equity price index. See The Bloomberg Service.

Muller Data Corporation. See Trepp/PSA CMO data.


REITWatch, published monthly by the National Association of Real Estate Investment Trusts. Source of information on real estate investment trusts. Available from the National Association of Real Estate Investment Trusts, 1875 I Street NW, Suite 600, Washington, DC 20006-5413. Information on services provided by the association can be found on its Internet site, http://www.nareit.com.

Reports of condition and reports of income (for commercial banks, “Call Reports”), submitted by depository institutions. Source of information on assets, liabilities, income, and expenditures of depository institutions.

Computer tapes containing Call Report data submitted by U.S.-chartered commercial banks are available from the National Technical Information Service, 5285 Port Royal Road, Springfield, VA 22161. The NTIS’s Internet address is http://www.ntis.gov.

Tabulations of report data submitted by U.S.-chartered commercial banks and savings institutions that report to the Federal Deposit Insurance Corporation are published on the FDIC’s Internet site, http://www.fdic.gov (click on “Bank Data”). The FDIC’s address is Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429-0002.

Tabulations of report data submitted by institutions that report to the Office of Thrift Supervision of the U.S. Department of the Treasury are published on the Treasury’s Internet site, http://www.treas.gov (click on “Treasury Bureaus,” then on “Office of Thrift Supervision,” then on “Industry and Institution Data,” then on “Fact Book”). The OTS’s address is Office of Thrift Supervision, 1700 G Street NW, Washington, DC 20552.

Reports submitted by credit unions are available on the National Credit Union Administration’s Internet site, http://www.ncua.gov.

Reports submitted by individual depository institution sectors are listed below:

**U.S.-chartered commercial banks**—Report quarterly to the Federal Reserve (for member banks) or to the FDIC on the following forms, which are issued by the Federal Financial Institutions Examination Council (FFIEC):

- **FFIEC 031**, Consolidated Reports of Condition and Income for a Bank with Domestic and Foreign Offices
- **FFIEC 032**, Consolidated Reports of Condition and Income for a Bank with Domestic Offices Only and Total Assets of $300 Million or More
- **FFIEC 033**, Consolidated Reports of Condition and Income for a Bank with Domestic Offices Only and Total Assets of $100 Million or More but Less Than $300 Million
- **FFIEC 034**, Consolidated Reports of Condition and Income for a Bank with Domestic Offices Only and Total Assets of Less Than $100 Million

**Foreign banking offices in the United States**—Report quarterly to the Federal Reserve on the following forms, which are issued by the FFIEC and the Federal Reserve:

FR 2886a, *Quarterly Report of Condition for a New York State Investment Company and Its Domestic Subsidiaries* (This form was submitted by the investment companies through 1996:Q2; it was discontinued after that date.)

FR 2886b, *Consolidated Report of Condition for Edge and Agreement Corporations*

**Banks in U.S.-affiliated areas:**

Banks located in U.S.-affiliated areas—Report quarterly to the Federal Reserve on the same forms submitted by U.S.-chartered commercial banks.

Branches of U.S. banks located in U.S.-affiliated areas—Report annually to the Federal Reserve on FFIEC 030, *Foreign Branch Report of Condition*, which is issued by the FFIEC.

**Thrift institutions:**

Savings institutions that report to the Office of Thrift Supervision—Report quarterly on the *Thrift Financial Report*.

Savings institutions that report to the Federal Deposit Insurance Corporation—Report quarterly on the same forms submitted by U.S.-chartered commercial banks.

Federally insured credit unions—Report quarterly to the National Credit Union Administration on Form NCUA 5300, *Statement of Financial Condition*.


*Statistics of Income*, published annually by the Internal Revenue Service, Statistics of Income Division. The following volumes provide data for the flow of funds accounts: *Source Books for Partnership Returns, Sole Proprietorship Returns, and Corporation Income Tax Returns*;
and SOI Bulletin (the SOI Bulletin is published quarterly but contains annual data). Data in all volumes are tabulated from tax returns. Sources of information on corporate and noncorporate businesses and on the tax liabilities of financial institutions. Available from the Superintendent of Documents, Government Printing Office, Washington, DC 20402. The SOI Bulletin is also the source of information on the assets and liabilities of private foundations and charitable organizations. Data for selected items from these publications are available on the IRS’s Internet site, http://www.irs.gov (click on “Tax Stats”).


*U.S. Central Credit Union Consolidated Financial Statements and Supplemental Financial Information*, published quarterly by U.S. Central Credit Union. Source of information on the assets and liabilities of the U.S. Central Credit Union. Available from U.S. Central Credit Union, Suite 600, 7300 College Boulevard, Overland Park, KS 66210-4032. Financial statements for the U.S. Central Credit Union are available on its Internet site, http://www.uscentral.org.


X-11-ARIMA. See Dagum, Estela Bee.

**Unpublished data**

Unpublished data are provided to the Federal Reserve Board by the following organizations:

- U.S. Department of Commerce
  Bureau of Economic Analysis
  International Investment Division and National Income and Wealth Division
  Washington, DC 20230

  Unpublished data on U.S. direct investment abroad, foreign direct investment in the U.S., and bond issues purchased by foreigners; also, unpublished data from the national income and product accounts on undistributed profits and nonresidential investment expenditures of farm businesses.

- U.S. Department of Commerce
  Bureau of the Census
  Governments Division
  Washington, DC 20223

  Unpublished data on the assets of state and local government employee retirement funds.
Federal Housing Finance Board  
1777 F Street NW  
Washington, DC 20006  
Unpublished data on the assets of Federal Home Loan Banks.

Federal Reserve Bank of New York  
33 Liberty Street  
New York, NY 10045-0001  
Unpublished data on the deposit liabilities of Federal Reserve Banks.

Federal Retirement Thrift Investment Board  
805 15th Street NW  
Washington, DC 20005  
Unpublished data on the assets of the Federal Employees Retirement System Thrift Savings Plan.

Investment Company Institute  
1401 H Street NW, Suite 1200  
Washington, DC 20005-2148  
Unpublished data on balances in institution-only money market mutual funds; assets of variable annuity plans; and net purchases of U.S. government securities, municipal bonds, and preferred stock by mutual funds.

U.S. Central Credit Union  
Suite 600  
7300 College Boulevard  
Overland Park, KS 66210-4032  
Unpublished data on security repurchase agreements of the U.S. Central Credit Union.

U.S. Department of the Treasury  
Office of the Assistant Secretary for International Affairs and Financial Management Service  
Washington, D.C. 20220  
Unpublished data on the holdings by U.S. government investment accounts of mortgages and participation certificates; unpublished data on loans by federal agencies.

Congressional Budget Office  
U.S. Congress  
Washington, DC 20515  
Unpublished data on Small Business Administration participation certificates.
Table F.1  Total Net Borrowing and Lending in Credit Markets

Credit markets are organized or informal arrangements that enable the transfer of funds between suppliers and acquirers of funds. This table shows the credit market borrowing and lending of the sectors in the flow of funds accounts that participate in these markets.

Credit market borrowing or lending is defined here as the transfer of funds through certain financial instruments: open market paper, Treasury and agency securities, municipal securities, corporate and foreign bonds, bank loans not elsewhere classified, other loans and advances (such as loans made under various federal programs), mortgages, and consumer credit. Excluded from the definition are a number of other items that are also sources and uses of funds for the sectors—official reserves, special drawing rights certificates, Treasury currency, deposits and interbank items, security repurchase agreements, corporate equities, mutual fund and money market mutual fund shares, trade credit, security credit, life insurance and pension fund reserves, business taxes payable, investment in bank personal trusts, proprietors’ equity in noncorporate business, and miscellaneous items; a sector’s credit market borrowing is thus not the same as the increase in its total liabilities.

All the sectors in the flow of funds accounts are lenders of credit market funds except farm business; all the sectors are borrowers of credit market funds except the monetary authority, banks in U.S.-affiliated areas, bank personal trusts, other insurance companies, private pension funds, state and local government retirement funds, money market mutual funds, mutual funds, and closed-end funds.

For the economy as a whole, total credit market borrowing and total credit market lending are necessarily equal to each other. This is not the case, however, for individual sectors; in particular, financial institutions are the primary suppliers of credit market funds but obtain a large portion of their funds from non-credit-market sources such as deposits. For most credit market instruments it is not possible to match borrowers and lenders—for instance, one cannot identify which sectors hold corporate bonds issued by other particular sectors.

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>1 FA94104005</td>
<td>Total net borrowing</td>
<td>790.6</td>
<td>952.2</td>
<td>1025.9</td>
<td>1227.8</td>
<td>1359.8</td>
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<tr>
<td>2 FA384104005</td>
<td>Domestic nonfinancial sectors</td>
<td>522.5</td>
<td>588.0</td>
<td>571.5</td>
<td>700.4</td>
<td>726.7</td>
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<td>3 FA314102005</td>
<td>Federal government</td>
<td>304.0</td>
<td>256.1</td>
<td>155.9</td>
<td>144.4</td>
<td>145.0</td>
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<td>4 FA254104005</td>
<td>Nonfederal sectors</td>
<td>218.5</td>
<td>331.9</td>
<td>415.6</td>
<td>555.9</td>
<td>581.7</td>
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<tr>
<td>5 FA154102005</td>
<td>Household sector</td>
<td>163.3</td>
<td>207.8</td>
<td>311.0</td>
<td>343.7</td>
<td>370.3</td>
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<tr>
<td>6 FA104104005</td>
<td>Nonfinancial corporate business</td>
<td>47.1</td>
<td>52.1</td>
<td>143.3</td>
<td>236.8</td>
<td>171.4</td>
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<tr>
<td>7 FA114102005</td>
<td>Nonfarm noncorporate business</td>
<td>-16.4</td>
<td>3.2</td>
<td>3.3</td>
<td>23.9</td>
<td>42.0</td>
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<td>8 FA134102005</td>
<td>Farm business</td>
<td>0.5</td>
<td>2.6</td>
<td>4.4</td>
<td>2.9</td>
<td>4.8</td>
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<tr>
<td>9 FA214102005</td>
<td>State and local governments</td>
<td>24.1</td>
<td>66.2</td>
<td>-46.2</td>
<td>-51.5</td>
<td>-6.8</td>
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<tr>
<td>10 FA264104005</td>
<td>Rest of the world</td>
<td>24.1</td>
<td>69.8</td>
<td>-14.0</td>
<td>71.1</td>
<td>76.9</td>
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<td>11 FA794104005</td>
<td>Financial sectors</td>
<td>244.0</td>
<td>294.4</td>
<td>468.4</td>
<td>456.4</td>
<td>556.2</td>
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<tr>
<td>12 FA764104005</td>
<td>Commercial banking</td>
<td>10.0</td>
<td>13.4</td>
<td>20.1</td>
<td>22.5</td>
<td>13.0</td>
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<tr>
<td>13 FA724104005</td>
<td>U.S.-chartered commercial banks</td>
<td>11.5</td>
<td>9.7</td>
<td>12.5</td>
<td>11.2</td>
<td>11.7</td>
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<tr>
<td>14 FA753169600</td>
<td>Foreign banking offices in U.S.</td>
<td>-3.8</td>
<td>-5.1</td>
<td>-2.6</td>
<td>261.1</td>
<td>-0.7</td>
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<td>15 FA734104005</td>
<td>Bank holding companies</td>
<td>2.3</td>
<td>8.8</td>
<td>10.3</td>
<td>14.4</td>
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### Table F.1

#### Total Net Borrowing and Lending in Credit Markets (1)—Continued

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<td>16 FA444104005</td>
<td>Savings institutions</td>
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<td>11.3</td>
<td>12.8</td>
<td>2.6</td>
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<td>17 FA473169203</td>
<td>Credit unions</td>
<td>0.0</td>
<td>0.2</td>
<td>0.2</td>
<td>0.1</td>
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<td>18 FA543169203</td>
<td>Life insurance companies</td>
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<td>0.2</td>
<td>0.3</td>
<td>-0.1</td>
<td>1.1</td>
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<td>19 FA404102005</td>
<td>Government-sponsored enterprises</td>
<td>40.2</td>
<td>80.6</td>
<td>172.1</td>
<td>105.9</td>
<td>90.4</td>
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<tr>
<td>20 FA413065005</td>
<td>Federally related mortgage pools</td>
<td>115.6</td>
<td>84.7</td>
<td>115.4</td>
<td>98.2</td>
<td>141.1</td>
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<td>21 FA674190005</td>
<td>ABS issuers</td>
<td>61.1</td>
<td>83.6</td>
<td>72.9</td>
<td>141.1</td>
<td>153.6</td>
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<td>22 FA614102005</td>
<td>Finance companies</td>
<td>-3.1</td>
<td>-1.4</td>
<td>48.7</td>
<td>50.2</td>
<td>45.9</td>
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<td>23 FA623168003</td>
<td>Mortgage companies</td>
<td>8.0</td>
<td>0.0</td>
<td>-11.5</td>
<td>0.4</td>
<td>12.4</td>
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<td>24 FA644104005</td>
<td>REITs</td>
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<td>3.4</td>
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<td>5.7</td>
<td>11.0</td>
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<td>25 FA663163003</td>
<td>Brokers and dealers</td>
<td>2.7</td>
<td>12.0</td>
<td>0.5</td>
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<td>26 FA504104005</td>
<td>Funding corporations</td>
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<td>34.9</td>
<td>64.1</td>
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<tr>
<td>27 FA894104005</td>
<td>Total net lending</td>
<td>790.6</td>
<td>952.2</td>
<td>1025.9</td>
<td>1227.8</td>
<td>1359.8</td>
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<td>28 FA254004005</td>
<td>Domestic nonfederal nonfinancial sectors</td>
<td>90.5</td>
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<td>-107.0</td>
<td>-10.7</td>
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<td>29 FA154004005</td>
<td>Household sector</td>
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<td>274.7</td>
<td>-11.5</td>
<td>-11.4</td>
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<td>30 FA104004005</td>
<td>Nonfinancial corporate business</td>
<td>27.8</td>
<td>9.1</td>
<td>17.7</td>
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<td>20.0</td>
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<tr>
<td>31 FA114004005</td>
<td>Nonfarm noncorporate business</td>
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<td>-1.1</td>
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<td>4.7</td>
<td>4.4</td>
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<tr>
<td>32 FA214004005</td>
<td>State and local governments</td>
<td>1.7</td>
<td>32.6</td>
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<td>33 FA314002005</td>
<td>Federal government</td>
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<td>7.7</td>
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<td>34 FA264004005</td>
<td>Rest of the world</td>
<td>98.4</td>
<td>129.3</td>
<td>132.3</td>
<td>273.9</td>
<td>414.7</td>
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<tr>
<td>35 FA794004005</td>
<td>Financial sectors</td>
<td>613.6</td>
<td>799.7</td>
<td>683.0</td>
<td>1061.1</td>
<td>963.5</td>
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<tr>
<td>36 FA714002105</td>
<td>Monetary authority</td>
<td>27.9</td>
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<td>31.5</td>
<td>12.7</td>
<td>12.3</td>
</tr>
<tr>
<td>37 FA764004005</td>
<td>Commercial banking</td>
<td>95.3</td>
<td>142.2</td>
<td>163.4</td>
<td>265.9</td>
<td>187.5</td>
</tr>
<tr>
<td>38 FA724004005</td>
<td>U.S.-chartered commercial banks</td>
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<td>149.6</td>
<td>148.1</td>
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<td>39 FA754004005</td>
<td>Foreign banking offices in U.S.</td>
<td>16.5</td>
<td>-9.8</td>
<td>11.2</td>
<td>75.4</td>
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<tr>
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<td>Bank holding companies</td>
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<td>41 FA744002005</td>
<td>Banks in U.S.-affiliated areas</td>
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<td>2.4</td>
<td>3.3</td>
<td>4.2</td>
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<tr>
<td>42 FA444004005</td>
<td>Savings institutions</td>
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<td>-7.6</td>
<td>19.9</td>
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<tr>
<td>43 FA474004005</td>
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<td>21.7</td>
<td>28.1</td>
<td>16.2</td>
<td>25.5</td>
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<td>44 FA604004005</td>
<td>Bank personal trusts and estates</td>
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<td>45 FA544004005</td>
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<td>66.7</td>
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<td>46 FA514004005</td>
<td>Other insurance companies</td>
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<td>24.9</td>
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<td>22.5</td>
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<tr>
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<td>49.5</td>
<td>45.5</td>
<td>61.3</td>
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<tr>
<td>48 FA224004005</td>
<td>State and local govt. retirement funds</td>
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<td>22.7</td>
<td>22.3</td>
<td>27.5</td>
<td>45.9</td>
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<tr>
<td>49 FA634002005</td>
<td>Money market mutual funds</td>
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<td>20.4</td>
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<tr>
<td>50 FA654004005</td>
<td>Mutual funds</td>
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<td>159.5</td>
<td>-7.1</td>
<td>52.5</td>
<td>48.9</td>
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<td>10.5</td>
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<td>52 FA404002005</td>
<td>Government-sponsored enterprises</td>
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<td>117.8</td>
<td>84.7</td>
<td>92.0</td>
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<td>Federally related mortgage pools</td>
<td>115.6</td>
<td>84.7</td>
<td>115.4</td>
<td>98.2</td>
<td>141.1</td>
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<td>54 FA674004005</td>
<td>ABS issuers</td>
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<td>81.0</td>
<td>65.8</td>
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<td>Mortgage companies</td>
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<td>57 FA643065003</td>
<td>REITs</td>
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<td>2.0</td>
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<tr>
<td>58 FA664004005</td>
<td>Brokers and dealers</td>
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<td>-44.2</td>
<td>90.1</td>
<td>-15.7</td>
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<tr>
<td>59 FA504004005</td>
<td>Funding corporations</td>
<td>12.9</td>
<td>-35.3</td>
<td>-16.2</td>
<td>-17.8</td>
<td>25.2</td>
</tr>
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</table>

(1) Excludes corporate equities and mutual fund shares.
F.1 Total Net Borrowing and Lending in Credit Markets

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Change in credit market debt of all borrowing sectors</td>
<td>894104005</td>
<td>1,470.7</td>
<td>Sum of lines 2, 10, and 11; also equal to line 27. Excludes net issues of corporate equities and mutual fund shares.</td>
</tr>
<tr>
<td>2. Change in credit market debt of domestic nonfinancial sectors</td>
<td>384104005</td>
<td>769.6</td>
<td>Sum of lines 3 and 4.</td>
</tr>
<tr>
<td>3. Change in credit market debt of the federal government</td>
<td>314102005</td>
<td>23.1</td>
<td>Table F.106, line 32.</td>
</tr>
<tr>
<td>4. Change in credit market debt of domestic nonfinancial nonfederal sectors</td>
<td>254104005</td>
<td>746.4</td>
<td>Sum of lines 5 through 9.</td>
</tr>
<tr>
<td>5. Change in credit market debt of the households and nonprofit organizations sector</td>
<td>154102005</td>
<td>355.6</td>
<td>Table F.100, line 40.</td>
</tr>
<tr>
<td>6. Change in credit market debt of nonfarm nonfinancial corporate business</td>
<td>104104005</td>
<td>265.0</td>
<td>Table F.102, line 37.</td>
</tr>
<tr>
<td>7. Change in credit market debt of nonfarm noncorporate business</td>
<td>114102005</td>
<td>63.5</td>
<td>Table F.103, line 21.</td>
</tr>
<tr>
<td>8. Change in credit market debt of farm business</td>
<td>134102005</td>
<td>6.4</td>
<td>Table F.104, line 18.</td>
</tr>
<tr>
<td>9. Change in credit market debt of state and local governments, excluding employee retirement funds</td>
<td>214102005</td>
<td>56.1</td>
<td>Table F.105, line 32.</td>
</tr>
<tr>
<td>10. Change in credit market debt of the rest of the world to U.S. residents</td>
<td>264104005</td>
<td>56.9</td>
<td>Table F.107 line 37.</td>
</tr>
<tr>
<td>11. Change in credit market debt of financial sectors</td>
<td>794104005</td>
<td>644.3</td>
<td>Sum of line 12 and lines 16 through 26.</td>
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<tr>
<td>12. Change in credit market debt of the commercial banking sector</td>
<td>764104005</td>
<td>46.1</td>
<td>Sum of lines 13, 14, and 15. Also found in table F.109, line 35.</td>
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### Table F.1—Continued

<table>
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<th>Explanation</th>
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<tbody>
<tr>
<td>13. Change in credit market debt of U.S.-chartered commercial banks</td>
<td>724104005</td>
<td>29.5</td>
<td>Table F.110, sum of lines 40, 41, and 42.</td>
</tr>
<tr>
<td>14. Change in credit market debt of foreign banking offices in the U.S., equal to change in their acceptance liabilities</td>
<td>753169600</td>
<td>-2.4</td>
<td>Table F.111, line 27.</td>
</tr>
<tr>
<td>15. Change in credit market debt of bank holding companies</td>
<td>734104005</td>
<td>19.0</td>
<td>Table F.112, line 19.</td>
</tr>
<tr>
<td>16. Change in credit market debt of savings institutions</td>
<td>444104005</td>
<td>19.7</td>
<td>Table F.114, line 26.</td>
</tr>
<tr>
<td>17. Change in credit market debt of credit unions, equal to change in their liabilities for loans from Federal Home Loan Banks</td>
<td>473169203</td>
<td>.1</td>
<td>Table F.115, line 21.</td>
</tr>
<tr>
<td>18. Change in credit market debt of life insurance companies, equal to change in their liabilities for loans from Federal Home Loan Banks</td>
<td>543169203</td>
<td>.2</td>
<td>Table F.117, line 19.</td>
</tr>
<tr>
<td>19. Change in credit market debt of government-sponsored enterprises</td>
<td>404102005</td>
<td>98.4</td>
<td>Table F.124, line 23.</td>
</tr>
<tr>
<td>20. Change in credit market debt of federally related mortgage pools, equal to change in outstanding mortgage pool securities issued by them</td>
<td>413065005</td>
<td>114.4</td>
<td>Table F.125, line 5.</td>
</tr>
<tr>
<td>21. Change in credit market debt of issuers of asset-backed securities, equal to their net increase in liabilities</td>
<td>674190005</td>
<td>204.4</td>
<td>Table F.126, line 14.</td>
</tr>
<tr>
<td>22. Change in credit market debt of finance companies</td>
<td>614102005</td>
<td>48.7</td>
<td>Table F.127, line 11.</td>
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# Total Net Borrowing and Lending in Credit Markets—Continued

<table>
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<th>Component</th>
<th>Code</th>
<th>1997 value</th>
<th>Explanation</th>
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<tbody>
<tr>
<td>23. Change in credit market debt of mortgage companies, equal to change in loans to them held by the commercial banking sector</td>
<td>623168003</td>
<td>-1.3</td>
<td>Table F.128, line 6.</td>
</tr>
<tr>
<td>24. Change in credit market debt of real estate investment trusts</td>
<td>644104005</td>
<td>24.8</td>
<td>Table F.129, line 12.</td>
</tr>
<tr>
<td>25. Change in credit market debt of security brokers and dealers, equal to change in their corporate bond liabilities</td>
<td>663163003</td>
<td>8.1</td>
<td>Table F.130, line 17.</td>
</tr>
<tr>
<td>26. Change in credit market debt of funding corporations</td>
<td>504104005</td>
<td>80.7</td>
<td>Table F.131, line 10.</td>
</tr>
<tr>
<td>27. Change in credit market assets of all sectors</td>
<td>894104005</td>
<td>1,470.7</td>
<td>Sum of lines 28, 33, 34, and 35; also equal to line 1. Excludes net purchases of corporate equities and mutual fund shares.</td>
</tr>
<tr>
<td>28. Change in credit market assets of domestic nonfinancial nonfederal sectors</td>
<td>254004005</td>
<td>-108.2</td>
<td>Sum of lines 29, 30, 31, and 32.</td>
</tr>
<tr>
<td>29. Change in credit market assets of the households and nonprofit organizations sector</td>
<td>154004005</td>
<td>-125.4</td>
<td>Table F.100, line 21.</td>
</tr>
<tr>
<td>30. Change in credit market assets of nonfarm nonfinancial corporate business</td>
<td>104004005</td>
<td>14.8</td>
<td>Table F.102, sum of lines 21 through 25.</td>
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<tr>
<td>31. Change in credit market assets of nonfarm noncorporate business</td>
<td>114004005</td>
<td>2.7</td>
<td>Table F.103, sum of lines 12, 13, and 14.</td>
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<tr>
<td>32. Change in credit market assets of state and local governments, excluding employee retirement funds</td>
<td>214004005</td>
<td>-3</td>
<td>Table F.105, line 19.</td>
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<tr>
<td>33. Change in credit market assets of the federal government</td>
<td>314002005</td>
<td>4.9</td>
<td>Table F.106, line 22.</td>
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<td>34. Change in U.S. credit market assets of the rest of the world</td>
<td>264004005</td>
<td>312.5</td>
<td>Table F.107, line 17.</td>
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<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
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<tr>
<td>35. Change in credit market assets of financial sectors</td>
<td>794004005</td>
<td>1,261.5</td>
<td>Sum of lines 36, 37, and 42 through 59.</td>
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<td>36. Change in credit market assets of Federal Reserve Banks (monetary authority sector)</td>
<td>714002105</td>
<td>38.3</td>
<td>Table F.108, line 10.</td>
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<tr>
<td>37. Change in credit market assets of the commercial banking sector</td>
<td>764004005</td>
<td>324.3</td>
<td>Sum of lines 38, 39, 40, and 41. Also found in table F.109, line 43.</td>
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<td>38. Change in credit market assets of U.S.-chartered commercial banks</td>
<td>724004005</td>
<td>274.9</td>
<td>Table F.110, line 49.</td>
</tr>
<tr>
<td>39. Change in credit market assets of foreign banking offices in the U.S.</td>
<td>754004005</td>
<td>40.2</td>
<td>Table F.111, line 33.</td>
</tr>
<tr>
<td>40. Change in credit market assets of bank holding companies</td>
<td>734004005</td>
<td>5.4</td>
<td>Table F.112, line 4.</td>
</tr>
<tr>
<td>41. Change in credit market assets of banks in U.S.-affiliated areas</td>
<td>744002005</td>
<td>3.7</td>
<td>Table F.113, line 5.</td>
</tr>
<tr>
<td>42. Change in credit market assets of savings institutions</td>
<td>444004005</td>
<td>-4.7</td>
<td>Table F.114, line 8.</td>
</tr>
<tr>
<td>43. Change in credit market assets of credit unions</td>
<td>474004005</td>
<td>16.8</td>
<td>Table F.115, line 7.</td>
</tr>
<tr>
<td>44. Change in credit market assets of bank personal trusts and estates</td>
<td>604004005</td>
<td>7.6</td>
<td>Table F.116, line 6.</td>
</tr>
<tr>
<td>45. Change in credit market assets of life insurance companies</td>
<td>544004005</td>
<td>101.0</td>
<td>Table F.117, line 6.</td>
</tr>
<tr>
<td>46. Change in credit market assets of other insurance companies</td>
<td>514004005</td>
<td>25.2</td>
<td>Table F.118, line 6.</td>
</tr>
<tr>
<td>47. Change in credit market assets of private pension funds</td>
<td>574004005</td>
<td>67.6</td>
<td>Table F.119, line 8.</td>
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</table>
### F.1 Total Net Borrowing and Lending in Credit Markets—Continued

<table>
<thead>
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<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tr>
<td>48. Change in credit market assets of state and local government employee retirement funds</td>
<td>224004005</td>
<td>36.6</td>
<td>Table F.120, line 7.</td>
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<td>49. Change in credit market assets of money market mutual funds</td>
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<td>87.5</td>
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<td>50. Change in credit market assets of mutual funds</td>
<td>654004005</td>
<td>80.9</td>
<td>Table F.122, line 4.</td>
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<td>51. Change in credit market assets of closed-end funds</td>
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<td>-3.4</td>
<td>Table F.123, line 2.</td>
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<tr>
<td>52. Change in credit market assets of government-sponsored enterprises</td>
<td>404002005</td>
<td>95.0</td>
<td>Table F.124, line 6.</td>
</tr>
<tr>
<td>53. Change in credit market assets of federally related mortgage pools, equal to their net acquisition of financial assets</td>
<td>413065005</td>
<td>114.4</td>
<td>Table F.125, line 1. Also equal to line 20 above.</td>
</tr>
<tr>
<td>54. Change in credit market assets of issuers of asset-backed securities</td>
<td>674002005</td>
<td>166.0</td>
<td>Table F.126, sum of lines 4, 5, 8, and 12.</td>
</tr>
<tr>
<td>55. Change in credit market assets of finance companies</td>
<td>614002005</td>
<td>21.9</td>
<td>Table F.127, line 5.</td>
</tr>
<tr>
<td>56. Change in credit market assets of mortgage companies, equal to their net acquisition of financial assets</td>
<td>623065003</td>
<td>16.4</td>
<td>Table F.128, line 1.</td>
</tr>
<tr>
<td>57. Change in credit market assets of real estate investment trusts, equal to change in their holdings of mortgages</td>
<td>643065003</td>
<td>-2.0</td>
<td>Table F.129, line 5.</td>
</tr>
<tr>
<td>58. Change in credit market assets of security brokers and dealers</td>
<td>664004005</td>
<td>13.7</td>
<td>Table F.130, line 5.</td>
</tr>
<tr>
<td>59. Change in credit market assets of funding corporations</td>
<td>504004005</td>
<td>58.6</td>
<td>Table F.131, line 3.</td>
</tr>
</tbody>
</table>
Table F.2  Credit Market Borrowing by Nonfinancial Sectors

The nonfinancial sectors in the flow of funds accounts are households and nonprofit organizations, nonfinancial business, the federal government, state and local governments, and the rest of the world. This table gives details on those sectors’ credit market borrowing by sector and by type of financial instrument and, at the bottom, shows totals for domestic and foreign borrowing. Sectoral details shown in the table also appear in table F.1; for example, household borrowing, shown here on line 18, is the same as household borrowing shown on line 5 in table F.1.

Entities in the nonfinancial sectors borrow in order to fund their current expenditures, restructure their balance sheets, or finance their investments. Credit markets, and their associated financial instruments, facilitate the transfer of resources to the borrowing sectors from sectors that have current saving or accumulated past saving. The major nonfinancial borrowers in the credit markets are the households and nonprofit organizations sector and nonfarm nonfinancial corporate business. Households and nonprofit organizations borrow primarily in the form of home mortgages and consumer credit, while nonfinancial corporations obtain credit market funds in a variety of forms, of which the most prominent are corporate bonds, loans from banks, and commercial mortgages.

In table F.2 from the Z.1 release, shown on the facing page, the decline in federal government borrowing in recent years reflects the gradual reduction of the federal budget deficit; in general, however, credit market borrowing by individual sectors has increased over time, reflecting growth in the economy and the increasing role of financial markets. Analysts have found that over long periods of time there has been a fairly close relationship between the growth of debt of the nonfinancial sectors and aggregate economic activity; because of the importance of these sectors, the Federal Open Market Committee monitors the growth of their debt as part of its regular policy reviews of the economy. The Federal Reserve Board publishes monthly data on nonfinancial debt growth in its weekly H.6 statistical release, “Money Stock and Debt Measures.”
### Credit Market Borrowing by Nonfinancial Sectors

#### Billions of dollars

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic</td>
<td>522.5</td>
<td>588.0</td>
<td>571.5</td>
<td>700.4</td>
<td>726.7</td>
<td>769.6</td>
</tr>
<tr>
<td>Federal government</td>
<td>304.0</td>
<td>256.1</td>
<td>155.9</td>
<td>144.4</td>
<td>145.0</td>
<td>23.1</td>
</tr>
<tr>
<td>Treasury securities</td>
<td>303.8</td>
<td>248.3</td>
<td>155.7</td>
<td>142.9</td>
<td>146.6</td>
<td>23.2</td>
</tr>
<tr>
<td>Budget agency securities and mortgages</td>
<td>0.2</td>
<td>7.8</td>
<td>0.2</td>
<td>1.5</td>
<td>-1.6</td>
<td>-0.1</td>
</tr>
<tr>
<td>Nonfederal, by instrument</td>
<td>218.5</td>
<td>331.9</td>
<td>415.6</td>
<td>555.9</td>
<td>581.7</td>
<td>746.4</td>
</tr>
<tr>
<td>Commercial paper</td>
<td>8.6</td>
<td>10.0</td>
<td>21.4</td>
<td>18.1</td>
<td>-0.9</td>
<td>13.7</td>
</tr>
<tr>
<td>Municipal securities and loans</td>
<td>30.5</td>
<td>74.8</td>
<td>-35.9</td>
<td>-48.2</td>
<td>2.6</td>
<td>71.4</td>
</tr>
<tr>
<td>Corporate bonds</td>
<td>67.6</td>
<td>75.2</td>
<td>23.3</td>
<td>73.3</td>
<td>72.5</td>
<td>90.7</td>
</tr>
<tr>
<td>Bank loans n.e.c.</td>
<td>-12.0</td>
<td>6.4</td>
<td>75.2</td>
<td>102.3</td>
<td>66.2</td>
<td>107.3</td>
</tr>
<tr>
<td>Other loans and advances</td>
<td>5.7</td>
<td>-8.9</td>
<td>34.0</td>
<td>67.2</td>
<td>33.8</td>
<td>68.7</td>
</tr>
<tr>
<td>Mortgages</td>
<td>114.1</td>
<td>123.7</td>
<td>172.7</td>
<td>204.3</td>
<td>318.8</td>
<td>342.1</td>
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<tr>
<td>Home</td>
<td>168.6</td>
<td>156.2</td>
<td>178.2</td>
<td>173.9</td>
<td>265.3</td>
<td>268.3</td>
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<tr>
<td>Multifamily residential</td>
<td>-10.3</td>
<td>-6.8</td>
<td>-1.3</td>
<td>8.0</td>
<td>12.7</td>
<td>11.5</td>
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<tr>
<td>Commercial</td>
<td>-44.7</td>
<td>-26.7</td>
<td>-6.4</td>
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<td>38.3</td>
<td>59.1</td>
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<tr>
<td>Farm</td>
<td>0.5</td>
<td>1.0</td>
<td>2.2</td>
<td>1.6</td>
<td>2.6</td>
<td>3.3</td>
</tr>
<tr>
<td>Consumer credit</td>
<td>3.9</td>
<td>60.7</td>
<td>124.9</td>
<td>138.9</td>
<td>88.8</td>
<td>52.5</td>
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<tr>
<td>Nonfederal, by sector</td>
<td>218.5</td>
<td>331.9</td>
<td>415.6</td>
<td>555.9</td>
<td>581.7</td>
<td>746.4</td>
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<td>Household sector</td>
<td>163.3</td>
<td>207.8</td>
<td>311.0</td>
<td>343.7</td>
<td>370.3</td>
<td>355.6</td>
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<td>Nonfinancial business</td>
<td>31.1</td>
<td>57.9</td>
<td>150.9</td>
<td>263.7</td>
<td>218.2</td>
<td>334.8</td>
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<td>Corporate</td>
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<td>52.1</td>
<td>143.3</td>
<td>236.8</td>
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<td>265.0</td>
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<td>Nonfarm noncorporate</td>
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<td>3.3</td>
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<td>Farm</td>
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<td>4.4</td>
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<td>State and local governments</td>
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<td>46.2</td>
<td>-51.5</td>
<td>-6.8</td>
<td>56.1</td>
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<tr>
<td>Foreign borrowing in U.S.</td>
<td>24.1</td>
<td>69.8</td>
<td>-14.0</td>
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<td>76.9</td>
<td>56.9</td>
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<tr>
<td>Commercial paper</td>
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<td>-9.6</td>
<td>-26.1</td>
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<td>11.3</td>
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<td>Bonds</td>
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<td>82.9</td>
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<td>46.7</td>
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<td>Bank loans n.e.c.</td>
<td>2.3</td>
<td>0.7</td>
<td>1.4</td>
<td>8.5</td>
<td>9.1</td>
<td>8.5</td>
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<tr>
<td>Other loans and advances</td>
<td>-0.6</td>
<td>-4.2</td>
<td>-1.5</td>
<td>-0.5</td>
<td>0.8</td>
<td>-2.0</td>
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<tr>
<td>Domestic and foreign</td>
<td>546.6</td>
<td>657.8</td>
<td>557.5</td>
<td>771.5</td>
<td>803.6</td>
<td>826.5</td>
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### F.2 Credit Market Borrowing by Nonfinancial Sectors

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Change in credit market debt of domestic nonfinancial sectors</td>
<td>384104005</td>
<td>769.6</td>
<td>Sum of lines 2 and 5; also equal to the sum of lines 2 and 17.</td>
</tr>
<tr>
<td>2. Change in credit market debt of the federal government</td>
<td>314102005</td>
<td>23.1</td>
<td>Sum of lines 3 and 4.</td>
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<td>3. Change in outstanding securities issued by the U.S. Treasury</td>
<td>313161505</td>
<td>23.2</td>
<td>Table F.106, sum of lines 33 and 34.</td>
</tr>
<tr>
<td>4. Change in outstanding agency security liabilities and in mortgages owed by the federal government</td>
<td>313161755</td>
<td>-.1</td>
<td>Table F.106, sum of lines 35 and 36.</td>
</tr>
<tr>
<td>5. Change in credit market debt of domestic nonfinancial nonfederal sectors, by instrument type</td>
<td>254104005</td>
<td>746.4</td>
<td>Sum of lines 6 through 11 and line 16.</td>
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<tr>
<td>6. Change in commercial paper liabilities of nonfarm nonfinancial corporate business</td>
<td>103169700</td>
<td>13.7</td>
<td>Table F.208, line 3.</td>
</tr>
<tr>
<td>7. Change in liabilities of domestic nonfinancial nonfederal sectors for municipal securities</td>
<td>253162005</td>
<td>71.4</td>
<td>Table F.211, line 1.</td>
</tr>
<tr>
<td>8. Change in corporate bond liabilities of nonfarm nonfinancial corporate business, including securities sold by Netherlands Antillean financial subsidiaries</td>
<td>103163003</td>
<td>90.7</td>
<td>Table F.212, line 2.</td>
</tr>
<tr>
<td>9. Change in bank loans, not elsewhere classified, to private domestic nonfinancial sectors</td>
<td>193168005</td>
<td>107.3</td>
<td>Table F.215, sum of lines 15, 16, 17, and 18.</td>
</tr>
<tr>
<td>10. Change in outstanding other loans and advances to domestic nonfinancial nonfederal sectors</td>
<td>253169255</td>
<td>68.7</td>
<td>Table F.216, sum of lines 3 through 7, 11, 13, 16, 17, 18, 22, 23, 24, 30, 31, 33, and 34.</td>
</tr>
<tr>
<td>11. Change in mortgage debt of private domestic nonfinancial sectors</td>
<td>193165005</td>
<td>342.1</td>
<td>Sum of lines 12, 13, 14, and 15. Also found in table F.217, sum of lines 7 and 8.</td>
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<td>Component</td>
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<td>Explanation</td>
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<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>12. Change in home mortgage debt of private domestic nonfinancial sectors</td>
<td>193165105</td>
<td>268.3</td>
<td>Table F.218, sum of lines 2, 3, and 4.</td>
</tr>
<tr>
<td>13. Change in multifamily residential mortgage debt of nonfarm nonfinancial business</td>
<td>123165405</td>
<td>11.5</td>
<td>Table F.219, sum of lines 2 and 3.</td>
</tr>
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<td>14. Change in commercial mortgage debt of private domestic nonfinancial sectors</td>
<td>193165505</td>
<td>59.1</td>
<td>Table F.220, sum of lines 2, 3, and 4.</td>
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<tr>
<td>15. Change in farm mortgages (liabilities of farm business)</td>
<td>893065603</td>
<td>3.3</td>
<td>Table F.221, line 1.</td>
</tr>
<tr>
<td>16. Change in consumer credit liabilities of households (households and nonprofit organizations sector)</td>
<td>153166000</td>
<td>52.5</td>
<td>Table F.222, line 1.</td>
</tr>
<tr>
<td>17. Change in credit market debt of domestic nonfinancial nonfederal sectors, by sector</td>
<td>254104005</td>
<td>746.4</td>
<td>Sum of lines 18, 19, and 23; also equal to line 5.</td>
</tr>
<tr>
<td>18. Change in credit market debt of the households and nonprofit organizations sector</td>
<td>154102005</td>
<td>355.6</td>
<td>Table F.100, line 40.</td>
</tr>
<tr>
<td>19. Change in credit market debt of nonfinancial business</td>
<td>144104005</td>
<td>334.8</td>
<td>Sum of lines 20, 21, and 22. Also found in table F.101, line 27.</td>
</tr>
<tr>
<td>20. Change in credit market debt of nonfarm nonfinancial corporate business</td>
<td>104104005</td>
<td>265.0</td>
<td>Table F.102, line 37.</td>
</tr>
<tr>
<td>21. Change in credit market debt of nonfarm noncorporate business</td>
<td>114102005</td>
<td>63.5</td>
<td>Table F.103, line 21.</td>
</tr>
<tr>
<td>22. Change in credit market debt of farm business</td>
<td>134102005</td>
<td>6.4</td>
<td>Table F.104, line 18.</td>
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## F.2 Credit Market Borrowing by Nonfinancial Sectors—Continued

<table>
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<tr>
<th>Component</th>
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<th>Explanation</th>
</tr>
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<tr>
<td>23. Change in credit market debt of state and local governments, excluding employee retirement funds</td>
<td>214102005</td>
<td>56.1</td>
<td>Table F.105, line 32.</td>
</tr>
<tr>
<td>24. Change in credit market debt of the rest of the world to U.S. residents</td>
<td>264104005</td>
<td>56.9</td>
<td>Sum of lines 25, 26, 27, and 28. Also found in table F.107, line 37.</td>
</tr>
<tr>
<td>25. Change in commercial paper liabilities of the rest of the world to U.S. residents</td>
<td>263169175</td>
<td>3.7</td>
<td>Table F.107, line 38.</td>
</tr>
<tr>
<td>26. Change in bond liabilities of the rest of the world to U.S. residents</td>
<td>263163003</td>
<td>46.7</td>
<td>Table F.107, line 39.</td>
</tr>
<tr>
<td>27. Change in outstanding loans, not elsewhere classified, to the rest of the world held by the U.S. commercial banking sector</td>
<td>263168005</td>
<td>8.5</td>
<td>Table F.107, line 40.</td>
</tr>
<tr>
<td>28. Change in outstanding other U.S. loans and advances to the rest of the world</td>
<td>263169255</td>
<td>−2.0</td>
<td>Table F.107, sum of lines 44 and 45.</td>
</tr>
<tr>
<td>29. Change in credit market debt of domestic nonfinancial sectors and the rest of the world</td>
<td>394104005</td>
<td>826.5</td>
<td>Sum of lines 1 and 24.</td>
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</table>
Table F.3  Credit Market Borrowing by Financial Sectors

Credit market borrowing by the financial sectors is primarily a source of funds for financial intermediation (see the introduction to table F.1 for a definition of credit market borrowing). This table shows the financial sectors’ credit market borrowing both by sector and by type of financial instrument.

The sectors that appear in the table are depository institutions (commercial banks, savings institutions, and credit unions) and nondepository institutions (life insurance companies, federally related credit providers, issuers of asset-backed securities, finance companies, mortgage companies, real estate investment trusts, security brokers and dealers, and funding corporations); the credit market borrowing of both types of financial institutions is also shown in table F.1. There are other financial sectors included in the flow of funds accounts that obtain funds from non-credit-market sources and thus do not appear in this table.

| F.3 Credit Market Borrowing by Financial Sectors | Billions of dollars
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1 FA794104005 By instrument</td>
<td></td>
</tr>
<tr>
<td>2 FA424102005 Federal government-related</td>
<td>155.8</td>
</tr>
<tr>
<td>3 FA403161703 Govt.-sponsored enterprise</td>
<td>40.3</td>
</tr>
<tr>
<td>4 FA413065005 Mortgage pool securities</td>
<td>115.6</td>
</tr>
<tr>
<td>5 FA403169203 U.S. government loans</td>
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</tr>
<tr>
<td>6 FA784104005 Private financial sectors</td>
<td>88.2</td>
</tr>
<tr>
<td>7 FA793169805 Open market paper</td>
<td>-1.1</td>
</tr>
<tr>
<td>8 FA793163605 Corporate bonds</td>
<td>88.6</td>
</tr>
<tr>
<td>9 FA693168005 Bank loans n.e.c.</td>
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</tr>
<tr>
<td>10 FA793169225 Other loans and advances</td>
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<tr>
<td>11 FA6431655005 Mortgages</td>
<td>0.6</td>
</tr>
<tr>
<td>12 FA794104005 By sector</td>
<td>244.0</td>
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<tr>
<td>13 FA764104005 Commercial banking</td>
<td>10.0</td>
</tr>
<tr>
<td>14 FA724104005 U.S.-chartered commercial</td>
<td>11.5</td>
</tr>
<tr>
<td>15 FA753169600 Foreign banking offices in</td>
<td>-3.8</td>
</tr>
<tr>
<td>16 FA734104005 Bank holding companies</td>
<td>2.3</td>
</tr>
<tr>
<td>17 FA444104005 Savings institutions</td>
<td>-7.0</td>
</tr>
<tr>
<td>18 FA473169203 Credit unions</td>
<td>0.0</td>
</tr>
<tr>
<td>19 FA543169203 Life insurance companies</td>
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</tr>
<tr>
<td>20 FA404102005 Government-sponsored</td>
<td>40.2</td>
</tr>
<tr>
<td>21 FA433065505 Federally related mortgage</td>
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<tr>
<td>22 FA674190005 ABS issuers</td>
<td>61.1</td>
</tr>
<tr>
<td>23 FA614102005 Finance companies</td>
<td>-3.1</td>
</tr>
<tr>
<td>24 FA623168003 Mortgage companies</td>
<td>8.0</td>
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<tr>
<td>25 FA644104005 REITs</td>
<td>0.3</td>
</tr>
<tr>
<td>26 FA663163003 Brokers and dealers</td>
<td>2.7</td>
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<tr>
<td>27 FA580104005 Funding corporations</td>
<td>16.2</td>
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</table>

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### Table F.3  
**Credit Market Borrowing by Financial Sectors**

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Change in credit market debt of financial sectors, by instrument</td>
<td>794104005</td>
<td>644.3</td>
<td>Sum of lines 2 and 6.</td>
</tr>
<tr>
<td>2. Change in credit market debt of government-sponsored enterprises and federally related mortgage pools</td>
<td>424102005</td>
<td>212.8</td>
<td>Sum of lines 3, 4, and 5.</td>
</tr>
<tr>
<td>3. Change in outstanding securities issued by government-sponsored enterprises</td>
<td>403161703</td>
<td>98.4</td>
<td>Table F.210, line 3.</td>
</tr>
<tr>
<td>4. Change in outstanding federally related mortgage pool securities issued</td>
<td>413065005</td>
<td>114.4</td>
<td>Table F.210, line 4.</td>
</tr>
<tr>
<td>5. Change in loans to Sallie Mae (government-sponsored enterprises sector) held by the federal government</td>
<td>403169203</td>
<td>.0</td>
<td>Table F.216, line 9.</td>
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<tr>
<td>6. Change in credit market debt of private financial sectors</td>
<td>784104005</td>
<td>431.5</td>
<td>Sum of lines 7 through 11.</td>
</tr>
<tr>
<td>7. Change in open market paper liabilities of private financial sectors</td>
<td>793169805</td>
<td>166.7</td>
<td>Table F.208, sum of lines 7 and 13.</td>
</tr>
<tr>
<td>8. Change in corporate bond liabilities of private financial sectors</td>
<td>793163005</td>
<td>207.9</td>
<td>Table F.212, line 4.</td>
</tr>
<tr>
<td>9. Change in outstanding bank loans, not elsewhere classified, to private nonbank financial sectors</td>
<td>693168005</td>
<td>13.6</td>
<td>Table F.215, line 23.</td>
</tr>
<tr>
<td>10. Change in liabilities of private financial sectors for other loans and advances</td>
<td>793169255</td>
<td>35.6</td>
<td>Table F.216, sum of lines 25, 26, 27, and 28.</td>
</tr>
<tr>
<td>11. Change in mortgage debt of private financial sectors, equal to change in mortgage debt of real estate investment trusts</td>
<td>643165003</td>
<td>7.8</td>
<td>Table F.217, line 13.</td>
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### F.3 Credit Market Borrowing by Financial Sectors—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tbody>
<tr>
<td>12. Change in credit market debt of financial sectors, by sector</td>
<td>794104005</td>
<td>644.3</td>
<td>Sum of line 13 and lines 17 through 27; also equal to line 1.</td>
</tr>
<tr>
<td>13. Change in credit market debt of the commercial banking sector</td>
<td>764104005</td>
<td>46.1</td>
<td>Sum of lines 14, 15, and 16. Also found in table F.109, line 35.</td>
</tr>
<tr>
<td>14. Change in credit market debt of U.S.-chartered commercial banks</td>
<td>724104005</td>
<td>29.5</td>
<td>Table F.110, sum of lines 40, 41, and 42.</td>
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<tr>
<td>15. Change in credit market debt of foreign banking offices in the U.S., equal to change in their acceptance liabilities</td>
<td>753169600</td>
<td>-2.4</td>
<td>Table F.111, line 27.</td>
</tr>
<tr>
<td>16. Change in credit market debt of bank holding companies</td>
<td>734104005</td>
<td>19.0</td>
<td>Table F.112, line 19.</td>
</tr>
<tr>
<td>17. Change in credit market debt of savings institutions</td>
<td>444104005</td>
<td>19.7</td>
<td>Table F.114, line 26.</td>
</tr>
<tr>
<td>18. Change in credit market debt of credit unions, equal to change in their liabilities for loans from Federal Home Loan Banks</td>
<td>473169203</td>
<td>.1</td>
<td>Table F.115, line 21.</td>
</tr>
<tr>
<td>19. Change in credit market debt of life insurance companies, equal to change in their liabilities for loans from Federal Home Loan Banks</td>
<td>543169203</td>
<td>.2</td>
<td>Table F.117, line 19.</td>
</tr>
<tr>
<td>20. Change in credit market debt of government-sponsored enterprises</td>
<td>404102005</td>
<td>98.4</td>
<td>Table F.124, line 23.</td>
</tr>
<tr>
<td>21. Change in credit market debt of federally related mortgage pools, equal to change in outstanding mortgage pool securities issued by them</td>
<td>413065005</td>
<td>114.4</td>
<td>Table F.125, line 5. Also equal to line 4 above.</td>
</tr>
<tr>
<td>22. Change in credit market debt of issuers of asset-backed securities, equal to their net increase in liabilities</td>
<td>674190005</td>
<td>204.4</td>
<td>Table F.126, line 14.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
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<tr>
<td>--------------------------------------------------------------------------</td>
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<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>23. Change in credit market debt of finance companies</td>
<td>614102005</td>
<td>48.7</td>
<td>Table F.127, line 11.</td>
</tr>
<tr>
<td>24. Change in credit market debt of mortgage companies, equal to change in loans to them held by the commercial banking sector</td>
<td>623168003</td>
<td>-1.3</td>
<td>Table F.128, line 6.</td>
</tr>
<tr>
<td>25. Change in credit market debt of real estate investment trusts</td>
<td>644104005</td>
<td>24.8</td>
<td>Table F.129, line 12.</td>
</tr>
<tr>
<td>26. Change in credit market debt of security brokers and dealers, equal to change in outstanding corporate bonds owed by them</td>
<td>663163003</td>
<td>8.1</td>
<td>Table F.130, line 17.</td>
</tr>
<tr>
<td>27. Change in credit market debt of funding corporations</td>
<td>504104005</td>
<td>80.7</td>
<td>Table F.131, line 10.</td>
</tr>
</tbody>
</table>
Table F.4  Credit Market Borrowing by All Sectors, by Instrument

Shown in this table is the credit market borrowing of all sectors, both financial and non-financial, by type of financial instrument; the total borrowing figure in line 1 is the same as total borrowing in line 1 of table F.1 (both are equal to the total net lending of all sectors shown in line 27 of table F.1). Also shown, at the bottom of this table as memorandum items, are total net issuance of corporate equities and total net issuance of mutual fund shares. These two financial instruments are not considered credit market instruments but are nevertheless important: For some firms, equity issuance is an alternative to credit market borrowing, and for many investors and lenders, purchasing mutual fund shares is an indirect means of investing in equities or credit market instruments.

Of the eight types of financial instruments used to carry out credit market borrowing, shown in lines 2 through 9 in the table, the ones with the largest dollar amounts outstanding are U.S. government securities, corporate and foreign bonds, and mortgages. The share of borrowing through each of the financial instruments as a percentage of total borrowing has changed over time, however, in response to changes in the economy and in the legal environment.

<table>
<thead>
<tr>
<th>F.4 Credit Market Borrowing by All Sectors, by Instrument</th>
<th>Billions of dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 FA894104005 Total</td>
<td>790.6</td>
</tr>
<tr>
<td>2 FA893169175 Open market paper</td>
<td>13.1</td>
</tr>
<tr>
<td>3 FA893161005 U.S. government securities</td>
<td>459.8</td>
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<tr>
<td>4 FA253162005 Municipal securities</td>
<td>30.5</td>
</tr>
<tr>
<td>5 FA893163005 Corporate and foreign bonds</td>
<td>172.9</td>
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<tr>
<td>6 FA893168005 Bank loans n.e.c.</td>
<td>-8.9</td>
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<tr>
<td>7 FA893169255 Other loans and advances</td>
<td>4.6</td>
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<tr>
<td>8 FA893085005 Mortgages</td>
<td>114.7</td>
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<tr>
<td>9 FA153166000 Consumer credit</td>
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<td>295.9</td>
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<tr>
<td>10 FA893064005 Total net issues</td>
<td>105.4</td>
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<tr>
<td>11 FA893064105 Corporate equities</td>
<td>27.0</td>
</tr>
<tr>
<td>12 FA103164003 Nonfinancial</td>
<td>32.4</td>
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<tr>
<td>13 FA263164003 Foreign shares purchased by</td>
<td>46.0</td>
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<tr>
<td>14 FA793164105 Financial</td>
<td>190.5</td>
</tr>
</tbody>
</table>

Memo:
Funds raised through corporate equities and mutual fund shares
### F.4 Credit Market Borrowing by All Sectors, by Instrument

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Change in credit market debt of all borrowing sectors</td>
<td>894104005</td>
<td>1,470.7</td>
<td>Sum of lines 2 through 9. Excludes net issuance of corporate equities and mutual fund shares, which are shown as memorandum items in lines 10 through 15.</td>
</tr>
<tr>
<td>2. Change in open market paper liabilities of all issuing sectors</td>
<td>893169175</td>
<td>184.1</td>
<td>Table F.208, line 1.</td>
</tr>
<tr>
<td>3. Change in total U.S. government securities outstanding, including agency securities</td>
<td>893161005</td>
<td>235.9</td>
<td>Sum of table F.209, line 1, and table F.210, line 1.</td>
</tr>
<tr>
<td>4. Change in liabilities of domestic nonfinancial nonfederal sectors for municipal securities</td>
<td>253162005</td>
<td>71.4</td>
<td>Table F.211, line 1.</td>
</tr>
<tr>
<td>5. Change in corporate and foreign bond liabilities of all issuing sectors</td>
<td>893163005</td>
<td>345.4</td>
<td>Table F.212, line 1.</td>
</tr>
<tr>
<td>6. Change in outstanding bank loans, not elsewhere classified, to all borrowing sectors</td>
<td>893168005</td>
<td>129.3</td>
<td>Table F.215, line 13.</td>
</tr>
<tr>
<td>7. Change in total other loans and advances outstanding to all borrowing sectors</td>
<td>893169255</td>
<td>102.2</td>
<td>Table F.216, line 1.</td>
</tr>
<tr>
<td>8. Change in mortgage debt of all borrowing sectors</td>
<td>893065005</td>
<td>349.9</td>
<td>Table F.217, line 1.</td>
</tr>
<tr>
<td>9. Change in consumer credit liabilities of households (households and nonprofit organizations sector)</td>
<td>153166000</td>
<td>52.5</td>
<td>Table F.222, line 1.</td>
</tr>
<tr>
<td>10. Funds raised through corporate equities and mutual fund shares</td>
<td>893064005</td>
<td>183.3</td>
<td>Sum of lines 11 and 15.</td>
</tr>
<tr>
<td>11. Memorandum item: Total net issuance of corporate equities</td>
<td>893064105</td>
<td>−81.8</td>
<td>Sum of lines 12, 13, and 14. Also found in table F.213, line 1.</td>
</tr>
<tr>
<td>12. Net issuance of equities by nonfarm nonfinancial corporate business</td>
<td>103164003</td>
<td>−114.4</td>
<td>Table F.213, line 2.</td>
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</table>
### F.4 Credit Market Borrowing by All Sectors, by Instrument—Continued

<table>
<thead>
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<th>Component</th>
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<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tr>
<td>13. Net purchases of foreign corporate equities by U.S. residents</td>
<td>263164003</td>
<td>41.3</td>
<td>Table F.213, line 3.</td>
</tr>
<tr>
<td>15. Memorandum item: Net issuance of mutual fund shares</td>
<td>653164005</td>
<td>265.1</td>
<td>Table F.214, line 1.</td>
</tr>
</tbody>
</table>
Table F.5  Total Liabilities and Their Relation to Total Financial Assets

This table shows both the relationship of total credit market borrowing to the net increase in liabilities of all sectors and the derivation of the net acquisition of financial assets of all sectors from the net increase in liabilities.

To find the net increase in all sectors' liabilities, the amount raised through each of the non-credit-market sources of funds included in the flow of funds accounts (lines 2 through 21) is added to total credit market borrowing in line 1, which is the same as line 1 in table F.1 and line 1 in table F.4. The total increase in liabilities, shown in line 22, is also the total of financial sources to all the sectors.

To find the net acquisition of all sectors' assets, liabilities not identified as sector assets (lines 23 through 28) and floats not included in assets (lines 29 through 31) are both subtracted from line 22; the result is shown in line 32. The items shown in lines 23 through 31 are actually the financial instrument discrepancies shown in table F.11; each of the lines reports the amount by which the measured total of funds borrowed through a particular financial instrument differs, as a result of timing or reporting differences, measurement error, or other inconsistencies, from the measured total of funds lent.
# F.5 Total Liabilities and Their Relation to Total Financial Assets

Bilions of dollars

<table>
<thead>
<tr>
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<tbody>
<tr>
<td><strong>Net flows through credit markets (from table F.4, line 1)</strong></td>
<td>790.6</td>
<td>952.2</td>
<td>1025.9</td>
<td>1227.8</td>
<td>1359.8</td>
<td>1470.7</td>
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<tr>
<td>1 FA894104005</td>
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<tr>
<td>2 FA263111005 Official foreign exchange</td>
<td>-1.6</td>
<td>0.8</td>
<td>-5.8</td>
<td>8.8</td>
<td>-6.3</td>
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<td>3 FA713014003 SDR certificates</td>
<td>-2.0</td>
<td>0.0</td>
<td>0.0</td>
<td>2.2</td>
<td>-0.5</td>
<td>-0.5</td>
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<tr>
<td>4 FA313112003 Treasury currency</td>
<td>0.2</td>
<td>0.4</td>
<td>0.7</td>
<td>0.6</td>
<td>0.1</td>
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<tr>
<td>5 FA263191003 Foreign deposits</td>
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<td>-18.5</td>
<td>52.9</td>
<td>35.3</td>
<td>85.9</td>
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<td>6 FA714110005 Net interbank transactions</td>
<td>49.4</td>
<td>50.5</td>
<td>89.8</td>
<td>9.9</td>
<td>-51.6</td>
<td>-19.4</td>
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<tr>
<td>7 FA793120005 Checkable deposits and currency</td>
<td>113.5</td>
<td>117.3</td>
<td>-9.7</td>
<td>-12.7</td>
<td>15.8</td>
<td>41.5</td>
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<tr>
<td>8 FA793130005 Small time and savings deposits</td>
<td>-57.3</td>
<td>-70.3</td>
<td>-39.9</td>
<td>96.6</td>
<td>97.2</td>
<td>97.1</td>
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<td>9 FA793150005 Large time deposits</td>
<td>-73.2</td>
<td>-23.5</td>
<td>19.6</td>
<td>65.6</td>
<td>114.0</td>
<td>122.5</td>
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<td>10 FA634000005 Money market fund shares</td>
<td>4.5</td>
<td>20.2</td>
<td>43.3</td>
<td>142.3</td>
<td>145.8</td>
<td>157.6</td>
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<tr>
<td>11 FA792150005 Security RPs</td>
<td>43.2</td>
<td>71.3</td>
<td>78.2</td>
<td>110.4</td>
<td>40.0</td>
<td>115.2</td>
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<tr>
<td>12 FA893064105 Corporate equities</td>
<td>105.4</td>
<td>137.7</td>
<td>24.6</td>
<td>-3.5</td>
<td>-3.4</td>
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<tr>
<td>13 FA653164005 Mutual fund shares</td>
<td>190.5</td>
<td>292.0</td>
<td>100.6</td>
<td>147.4</td>
<td>237.6</td>
<td>265.1</td>
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<td>14 FA93170005 Trade payables</td>
<td>45.1</td>
<td>52.2</td>
<td>94.0</td>
<td>101.5</td>
<td>76.9</td>
<td>98.0</td>
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<td>15 FA893167005 Security credit</td>
<td>4.6</td>
<td>61.4</td>
<td>-0.1</td>
<td>26.7</td>
<td>52.4</td>
<td>110.1</td>
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<td>16 FA153040005 Life insurance reserves</td>
<td>28.0</td>
<td>36.0</td>
<td>34.5</td>
<td>44.9</td>
<td>43.6</td>
<td>52.9</td>
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<td>17 FA153050005 Pension fund reserves</td>
<td>230.2</td>
<td>255.7</td>
<td>246.2</td>
<td>233.2</td>
<td>230.8</td>
<td>296.8</td>
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<td>18 FA93178005 Taxes payable</td>
<td>10.6</td>
<td>11.4</td>
<td>2.6</td>
<td>6.2</td>
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<td>14.8</td>
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<td>19 FA604190005 Investment in bank personal trusts</td>
<td>-7.1</td>
<td>0.9</td>
<td>17.8</td>
<td>4.0</td>
<td>-8.6</td>
<td>75.0</td>
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<tr>
<td>20 FA153080005 Noncorporate proprietors' equity</td>
<td>34.4</td>
<td>25.5</td>
<td>55.6</td>
<td>71.5</td>
<td>49.3</td>
<td>40.7</td>
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<tr>
<td>21 FA93190005 Miscellaneous</td>
<td>266.4</td>
<td>340.0</td>
<td>252.4</td>
<td>457.3</td>
<td>451.4</td>
<td>504.1</td>
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<tr>
<td>22 FA94190005 Total financial sources</td>
<td>1771.9</td>
<td>2313.0</td>
<td>2083.2</td>
<td>2776.0</td>
<td>2946.5</td>
<td>3557.7</td>
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<tr>
<td>- Liabilities not identified as assets:</td>
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<tr>
<td>23 FA903012005 Treasury currency</td>
<td>-0.2</td>
<td>-0.2</td>
<td>-0.2</td>
<td>-0.5</td>
<td>-0.9</td>
<td>-0.6</td>
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<tr>
<td>24 FA903091005 Foreign deposits</td>
<td>-2.7</td>
<td>-5.7</td>
<td>43.0</td>
<td>25.1</td>
<td>59.4</td>
<td>107.4</td>
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<tr>
<td>25 FA940101005 Net interbank liabilities</td>
<td>-4.9</td>
<td>-4.2</td>
<td>-2.7</td>
<td>-3.1</td>
<td>-3.3</td>
<td>-19.9</td>
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<tr>
<td>26 FA902050005 Security RPs</td>
<td>4.3</td>
<td>46.4</td>
<td>69.4</td>
<td>22.9</td>
<td>-0.7</td>
<td>59.5</td>
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<tr>
<td>27 FA903078005 Taxes payable</td>
<td>12.8</td>
<td>15.8</td>
<td>16.6</td>
<td>21.1</td>
<td>20.4</td>
<td>17.2</td>
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<tr>
<td>28 FA903099005 Miscellaneous</td>
<td>-32.4</td>
<td>-170.8</td>
<td>-150.0</td>
<td>-213.5</td>
<td>-82.0</td>
<td>-254.9</td>
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<tr>
<td>- Floats not included in assets:</td>
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<td>29 FA903023105 Checkable deposits: Federal govt.</td>
<td>0.7</td>
<td>-1.5</td>
<td>-4.8</td>
<td>-6.0</td>
<td>0.5</td>
<td>-2.7</td>
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<tr>
<td>30 FA903029205 Other</td>
<td>1.6</td>
<td>-1.3</td>
<td>-2.8</td>
<td>-3.8</td>
<td>-4.0</td>
<td>-3.9</td>
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<tr>
<td>31 FA903070005 Trade credit</td>
<td>9.9</td>
<td>-4.0</td>
<td>1.5</td>
<td>-11.7</td>
<td>-27.0</td>
<td>15.1</td>
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<tr>
<td>Totals identified to sectors as assets</td>
<td>1782.9</td>
<td>2430.0</td>
<td>2113.3</td>
<td>2945.5</td>
<td>2984.2</td>
<td>3640.5</td>
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### F.5 Total Liabilities and Their Relation to Total Financial Assets

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Net flows of funds through credit markets, equal to change in credit market debt of all borrowing sectors</td>
<td>894104005</td>
<td>1,470.7</td>
<td>Table F.4, line 1.</td>
</tr>
<tr>
<td>2. Change in liabilities of the rest of the world for foreign exchange held by U.S. official agencies and for the U.S. net position in the International Monetary Fund</td>
<td>263111005</td>
<td>.7</td>
<td>Table F.200, line 5.</td>
</tr>
<tr>
<td>3. Change in liabilities of the federal government for special drawing rights certificates</td>
<td>713014003</td>
<td>-.5</td>
<td>Table F.201, line 1.</td>
</tr>
<tr>
<td>4. Change in liabilities of the federal government for U.S. Treasury currency</td>
<td>313112003</td>
<td>*</td>
<td>Table F.201, line 3.</td>
</tr>
<tr>
<td>5. Change in liabilities of the rest of the world for U.S. private deposits</td>
<td>263191003</td>
<td>107.4</td>
<td>Table F.202, line 1.</td>
</tr>
<tr>
<td>6. Change in interbank liabilities</td>
<td>774110005</td>
<td>-19.4</td>
<td>Table F.203, line 1.</td>
</tr>
<tr>
<td>7. Change in liabilities of private depository institutions and the monetary authority for checkable deposits and currency</td>
<td>793120005</td>
<td>41.5</td>
<td>Table F.204, line 1.</td>
</tr>
<tr>
<td>8. Change in small time and savings deposit liabilities of private depository institutions</td>
<td>793131005</td>
<td>97.1</td>
<td>Table F.205, line 2.</td>
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<tr>
<td>9. Change in large time deposit liabilities of private depository institutions</td>
<td>793135005</td>
<td>122.5</td>
<td>Table F.205, line 9.</td>
</tr>
<tr>
<td>10. Change in liabilities of money market mutual funds for shares issued</td>
<td>634000005</td>
<td>157.6</td>
<td>Table F.206, line 1.</td>
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## Table F.5—Continued

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<tr>
<td>11. Change in outstanding federal funds bought by financial sectors and in outstanding loans to them under security repurchase agreements</td>
<td>792150005</td>
<td>115.2</td>
<td>Table F.207, line 1.</td>
</tr>
<tr>
<td>12. Net issuance of corporate equities by all issuing sectors</td>
<td>893064105</td>
<td>−81.8</td>
<td>Table F.213, line 1.</td>
</tr>
<tr>
<td>13. Change in liabilities of mutual funds for shares issued</td>
<td>653164005</td>
<td>265.1</td>
<td>Table F.214, line 1.</td>
</tr>
<tr>
<td>14. Change in trade payables owed by all borrowing sectors</td>
<td>893170005</td>
<td>98.0</td>
<td>Table F.223, line 1.</td>
</tr>
<tr>
<td>15. Change in security credit liabilities of all borrowing sectors</td>
<td>893167005</td>
<td>110.1</td>
<td>Table F.224, line 1.</td>
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<td>16. Change in life insurance reserve liabilities</td>
<td>153040005</td>
<td>52.9</td>
<td>Table F.225, line 1.</td>
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<td>17. Change in pension fund reserve liabilities</td>
<td>153050005</td>
<td>296.8</td>
<td>Table F.225, line 5.</td>
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<tr>
<td>18. Change in taxes payable by all businesses</td>
<td>893178005</td>
<td>14.6</td>
<td>Table F.226, line 1.</td>
</tr>
<tr>
<td>19. Change in liabilities of bank personal trusts for investment by the households and nonprofit organizations sector</td>
<td>604190005</td>
<td>75.0</td>
<td>Table F.227, line 1.</td>
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<td>20. Change in liabilities of noncorporate business for proprietors’ net investment</td>
<td>153080005</td>
<td>40.7</td>
<td>Table F.228, line 1.</td>
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<tr>
<td>21. Change in total miscellaneous liabilities of all sectors</td>
<td>893190005</td>
<td>593.4</td>
<td>Table F.229, line 1.</td>
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### F.5 Total Liabilities and Their Relation to Total Financial Assets—Continued

<table>
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<th>Explanation</th>
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<tr>
<td>22. Change in total financial sources of funds, equal to net increase in liabilities of all sectors</td>
<td>894190005</td>
<td>3,557.7</td>
<td>Sum of lines 1 through 21. Also equal to the sum of tables F.100, line 39; F.101, line 26; F.105, line 31; F.106, line 29; F.107, line 34; F.108, line 17; F.109, line 23; F.114, line 20; F.115, line 16; F.116, line 17; F.117, line 18; F.118, line 16; F.119, line 22; F.120, line 17; F.121, line 14; F.122, line 13; F.123, line 7; F.124, line 22; F.125, line 5; F.126, line 14; F.127, line 10; F.128, line 5; F.129, line 10; F.130, line 15; and F.131, line 9.</td>
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<td>23. Discrepancy between changes in federal government liabilities for Treasury currency and Treasury currency held by the monetary authority, equal to seigniorage</td>
<td>903012005</td>
<td>-.6</td>
<td>Table F.201, line 5.</td>
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<tr>
<td>24. Discrepancy between changes in foreign liabilities for deposits held abroad by U.S. private sectors and foreign deposit assets of domestic sectors</td>
<td>903091005</td>
<td>107.4</td>
<td>Table F.202, line 5.</td>
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<td>25. Discrepancy between changes in interbank liabilities and interbank assets of the commercial banking sector, due to timing and reporting differences and floats</td>
<td>904010005</td>
<td>-19.9</td>
<td>Table F.203, line 45.</td>
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<td>26. Discrepancy between changes in liabilities for, and holdings of, federal funds and loans made under security repurchase agreements, treated as unallocated assets</td>
<td>902050005</td>
<td>59.5</td>
<td>Table F.207, line 23.</td>
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<td>27. Discrepancy between changes in business taxes payable and business taxes receivable</td>
<td>903078005</td>
<td>17.2</td>
<td>Table F.226, line 13.</td>
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<tr>
<td>28. Discrepancy between changes in unidentified miscellaneous liabilities of all sectors and unidentified miscellaneous assets of all sectors</td>
<td>903090005</td>
<td>-254.9</td>
<td>Table F.229, line 43.</td>
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<td>Component</td>
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<td>Explanation</td>
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<tr>
<td>29. Discrepancy between changes in federal government cash and deposits as reported by the</td>
<td>903023105</td>
<td>-2.7</td>
<td>Table F.204, sum of lines 3 and 7, less line 19.</td>
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<tr>
<td>monetary authority and the commercial banking sector and as reported by the federal</td>
<td></td>
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<tr>
<td>government</td>
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<tr>
<td>30. Change in mail float associated with demand deposits other than those of the federal</td>
<td>903029205</td>
<td>-3.9</td>
<td>Table F.204, line 36, less line 29 above.</td>
</tr>
<tr>
<td>government</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31. Discrepancy between changes in trade payables and trade receivables</td>
<td>903070005</td>
<td>15.1</td>
<td>Table F.223, line 17.</td>
</tr>
<tr>
<td>32. Change in totals identified as sector financial assets, equal to net acquisition of</td>
<td>894090005</td>
<td>3,640.5</td>
<td>Line 22 less liabilities not identified as assets, lines 23 through 28, and</td>
</tr>
<tr>
<td>financial assets by all sectors</td>
<td></td>
<td></td>
<td>less floats not included in assets, line 29, 30, and 31. Also equal to</td>
</tr>
<tr>
<td>the sum of tables F.100, line 16; F.101, line 11; F.105, line 15; F.106, line 18; F.107,</td>
<td></td>
<td></td>
<td>line 11; F.108, line 3; F.109, line 3; F.114, line 3; F.115, line 3; F.116,</td>
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<tr>
<td>line 1; F.117, line 3; F.118, line 3; F.119, line 3; F.120, line 3; F.121, line 1; F.122,</td>
<td></td>
<td></td>
<td>line 1; F.123, line 1; F.124, line 3; F.125, line 1; F.126, line 3; F.127,</td>
</tr>
<tr>
<td>line 3; F.128, line 1; F.129, line 4; F.130, line 3; and F.131, line 1.</td>
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</tr>
</tbody>
</table>
Table F.6  Distribution of Gross Domestic Product

Gross domestic product (GDP) is equal to the market value of all final goods and services produced during a particular time period by labor and property located in the U.S. ("real" GDP is the total adjusted for the effect of changes in prices). GDP is likewise equal to the value of the purchases of these goods and services. This table shows the major components of expenditure on gross domestic product—personal consumption expenditures, gross private domestic investment, net exports, and expenditures by government, the "C + I + G + X - M" familiar to students of economics—along with subcategories of these broad totals. (Gross national product, or GNP, is the value of the goods and services produced by labor and property supplied by U.S. residents; it is obtained by adding net U.S. income receipt from abroad to gross domestic product. GNP appears as a memorandum item at the bottom of the table.)

The table corresponds to table 1.1 of the national income and product accounts published in the Survey of Current Business by the Bureau of Economic Analysis (BEA). Most of the data in the table are available from BEA as seasonally adjusted quarterly flows at annual rates. BEA does not, however, publish sectoral detail on investment in nonresidential plant and equipment or on investment in residential structures; the allocations of the totals for these two series among the sectors that appear here are made by the Flow of Funds Section on the basis of annual data on tangible assets and fixed investment flows produced by BEA for its publication Fixed Reproducible Tangible Wealth in the United States. The entries for residential and nonresidential fixed investment by sector in this table are the same as those in the individual sector tables, although in some sector tables a single total for fixed investment is shown.
# Distribution of Gross Domestic Product (1)

Billion of dollars

<table>
<thead>
<tr>
<th>Year</th>
<th>FA086902005 Gross Domestic Product (GDP)</th>
<th>FA156901001 Personal consumption expenditures (2)</th>
<th>FA155013003 Gross private domestic investment</th>
<th>Fixed investment</th>
<th>FA895013003 Financial corporations</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992</td>
<td>6244.5</td>
<td>4219.8</td>
<td>790.5</td>
<td>783.4</td>
<td>63.5</td>
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<tr>
<td>1993</td>
<td>6581.1</td>
<td>4459.3</td>
<td>876.2</td>
<td>855.7</td>
<td>64.8</td>
</tr>
<tr>
<td>1994</td>
<td>6947.0</td>
<td>4717.0</td>
<td>1007.8</td>
<td>946.6</td>
<td>80.1</td>
</tr>
<tr>
<td>1995</td>
<td>7269.7</td>
<td>4953.9</td>
<td>1043.2</td>
<td>1012.5</td>
<td>81.0</td>
</tr>
<tr>
<td>1996</td>
<td>7661.7</td>
<td>5215.7</td>
<td>1131.9</td>
<td>1099.8</td>
<td>86.5</td>
</tr>
<tr>
<td>1997</td>
<td>8110.8</td>
<td>5493.7</td>
<td>1256.0</td>
<td>1188.6</td>
<td>104.1</td>
</tr>
</tbody>
</table>

(1) This table corresponds to NIPA table 1.1 in the Survey of Current Business, Department of Commerce.

(2) Component of personal outlays, found on table F.100, line 4.

(3) Considered investment rather than current expenditure in the flow of funds accounts; added back to NIPA-based personal saving in the calculation of gross saving.

(4) Government inventory investment is included in consumption expenditures.
### F.6 Distribution of Gross Domestic Product

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gross domestic product (GDP)</td>
<td>086902005</td>
<td>8,110.8</td>
<td>Sum of lines 2, 5, 22, and 25.</td>
</tr>
<tr>
<td>2. Personal consumption expenditures</td>
<td>156901001</td>
<td>5,493.7</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.1, line 2, Personal consumption expenditures. Unadjusted flow from SCB, NIPA table 9.2, line 1, Personal consumption expenditures. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>3. Investment in consumer durable goods by households (households and nonprofit organizations sector)</td>
<td>155011001</td>
<td>673.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.1, line 3, Personal consumption expenditures on durable goods; also shown in NIPA table 2.2, line 2, Durable goods. Unadjusted flow from SCB, NIPA table 9.2, line 2, Durable goods. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>4. Purchases of consumer nondurable goods and services</td>
<td>156901305</td>
<td>4,820.6</td>
<td>Line 2 less line 3.</td>
</tr>
<tr>
<td>5. Gross private domestic investment</td>
<td>085050005</td>
<td>1,256.0</td>
<td>Sum of lines 6 and 18.</td>
</tr>
<tr>
<td>6. Private fixed investment</td>
<td>895019005</td>
<td>1,188.6</td>
<td>Sum of lines 7 and 13.</td>
</tr>
<tr>
<td>7. Fixed nonresidential investment by private domestic sectors</td>
<td>895013001</td>
<td>860.7</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.1, line 8, Fixed nonresidential investment. Unadjusted flow from SCB, NIPA table 9.1, line 8, Fixed nonresidential investment. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
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<td>--------------------------------------------------------------------------</td>
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<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>8. Fixed nonresidential investment by nonprofit organizations (households and nonprofit organizations sector)</td>
<td>165013003</td>
<td>43.6</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B5, Fixed Nonresidential Private Capital, by Legal Form of Organization and Major Industry Group, Historical-Cost Valuation, Noncorporate, sum of Equipment for nonprofit institutions (series I3NTOTL8EQ00; revisions and updates provided by BEA) and Structures for nonprofit institutions (I3NTOTL8ST00). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures portion and investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment portion. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
</tbody>
</table>
### F.6 Distribution of Gross Domestic Product—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>9. Fixed nonresidential investment by nonfarm nonfinancial corporate business</td>
<td>105013003</td>
<td>613.2</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A8, Fixed Nonresidential Private Capital, by Legal Form of Organization and Major Industry Group, Historical-Cost Valuation, Net stock, sum of Equipment for nonfinancial corporations, change in amount outstanding (unpublished detail, series K3NNOFI2EQ00; revisions and updates provided by BEA), and Structures for nonfinancial corporations, change in amount outstanding (K3NNOFI2ST00), plus Depreciation for equipment (M3NNOFI2EQ00) and for structures (M3NNOFI2ST00) for nonfinancial corporations; less Investment in producers’ durable equipment by farm corporations (SCB, NIPA table 5.8, sum of line 26, Agricultural machinery, except tractors, and a percentage of line 25, Tractors, with the percentage equal to the ratio of purchases of farm tractors, series 3IHI Y3NTOTL1E020, to purchases of all tractors, 3IHI Y3NTOTL1E021—both series published on the BEA STAT-USA Internet site; annual ratio used for all four quarters in year—net of Investment by noncorporate farms in equipment, I3NAG014EQ00); and less Investment in nonresidential structures by farm corporations (SCB, NIPA table 5.6, line 19, Farm purchases of nonresidential structures, net of Investment by noncorporate farms in nonresidential structures, I3NAG014ST00). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures portion and investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment portion. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Unpublished quarterly data for farm purchases of equipment and structures are provided by BEA.</td>
</tr>
<tr>
<td>10. Fixed nonresidential investment by nonfarm noncorporate business</td>
<td>115013005</td>
<td>74.3</td>
<td>Line 7 less lines 8, 9, 11, and 12.</td>
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</table>
### F.6—Continued

<table>
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<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tr>
<td><strong>11. Fixed nonresidential investment by farm business</strong></td>
<td>135013003</td>
<td>25.4</td>
<td>Seasonally adjusted flow from SCB, sum of NIPA table 5.6, line 19, Farm purchases of nonresidential structures; NIPA table 5.8, line 26, Agricultural machinery, except tractors; and a percentage of NIPA table 5.8, line 25, Tractors (percentage equal to the ratio of purchases of farm tractors, series 31HI Y3NTOTL1IE020, to purchases of all tractors, 31HI Y3NTOTL1IE021—both series published on the BEA STAT-USA Internet site; annual ratio used for all four quarters in year). Unpublished quarterly data at annual rates for all three lines in the NIPA tables provided by BEA. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td><strong>12. Fixed nonresidential investment by financial sectors</strong></td>
<td>795013005</td>
<td>104.1</td>
<td>Sum of lines 12a through 12o.</td>
</tr>
<tr>
<td><strong>12a. Fixed nonresidential investment by Federal Reserve Banks (monetary authority sector)</strong></td>
<td>715013003</td>
<td>.3</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, sum of Equipment for Federal Reserve Banks (series I3NF16A1EQ00; revisions and updates provided by BEA) and Structures for Federal Reserve Banks (I3NF16A1ST00). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
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</table>
12b. Fixed nonresidential investment by U.S.-chartered commercial banks 725013003 9.3

Annual flow from Fixed Reproducible Tangible Wealth (FRTW), Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series 13NFI661EQ00; revisions and updates provided by BEA), nondepository institutions (13NFI611EQ00), insurance carriers (13NFI631EQ00), and holding and other investment offices (13NFI671EQ00); plus Structures for commercial and mutual depository institutions (13NFI661ST00), nondepository institutions (13NFI611ST00), insurance carriers (13NFI631ST00), and holding and other investment offices (13NFI671ST00). For the equipment component of the total, the sum is multiplied by the ratio of investment in equipment by commercial and mutual depository institutions to investment in equipment and nonresidential structures by commercial and mutual depository institutions, and by the ratio of tangible assets reported by U.S.-chartered commercial banks to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. The structures component is the sum of investment in structures by the four financial institution groups delineated in FRTW less investment in structures by the FOF financial sectors cited above other than U.S.-chartered commercial banks. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.
<table>
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<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>12c. Fixed nonresidential investment by foreign banking offices in the U.S.</td>
<td>755013003</td>
<td>3.0</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NF66B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NF6611EQ00), insurance carriers (I3NF6631EQ00), and holding and other investment offices (I3NF6671EQ00); Structures for commercial and mutual depository institutions (I3NF66B1ST00), nondepository institutions (I3NF6611ST00), insurance carriers (I3NF6631ST00), and holding and other investment offices (I3NF6671ST00). The sum is multiplied by the ratio of investment in equipment by commercial and mutual depository institutions to investment in equipment and nonresidential structures by commercial and mutual depository institutions for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets (converted to book value) reported by foreign banking offices in the U.S. to tangible assets, reported at book value, by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
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</tr>
<tr>
<td>12d. Fixed nonresidential investment by bank holding companies</td>
<td>735013003</td>
<td>.3</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NF6B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NF661EQ00), insurance carriers (I3NF663EQ00), and holding and other investment offices (I3NF671EQ00); plus Structures for commercial and mutual depository institutions (I3NF661ST00), nondepository institutions (I3NF661ST00), insurance carriers (I3NF663ST00), and holding and other investment offices (I3NF671ST00). The sum is multiplied by the ratio of investment in equipment by holding and other investment offices to investment in equipment and nonresidential structures by holding and other investment offices for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets reported by bank holding companies to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
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</tr>
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<td>12e. Fixed nonresidential investment by banks in U.S.-affiliated areas</td>
<td>745013003</td>
<td>.1</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series 13NF16B1EQ00; revisions and updates provided by BEA), nondepository institutions (13NF1611EQ00), insurance carriers (I3NF1631EQ00), and holding and other investment offices (I3NF161EQ00); plus Structures for commercial and mutual depository institutions (I3NF1611ST00), nondepository institutions (13NF1611ST00), insurance carriers (I3NF1631ST00), and holding and other investment offices (I3NF161ST00). The sum is multiplied by the ratio of investment in equipment by commercial and mutual depository institutions to investment in equipment and nonresidential structures by commercial and mutual depository institutions for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets reported by banks in U.S.-affiliated areas to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings and loans, Mutual savings banks, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
</tbody>
</table>
F.6 Distribution of Gross Domestic Product—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
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<td>12f. Fixed nonresidential investment by savings institutions</td>
<td>445013003</td>
<td>2.5</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NFI66B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NFI611EQ00), insurance carriers (I3NFI631EQ00), and holding and other investment offices (I3NFI671EQ00); plus Structures for commercial and mutual depository institutions (I3NFI66B1ST00), nondepository institutions (I3NFI611ST00), insurance carriers (I3NFI631ST00), and holding and other investment offices (I3NFI671ST00). The sum is multiplied by the ratio of investment in equipment by commercial and mutual depository institutions to investment in equipment and nonresidential structures by commercial and mutual depository institutions for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets reported by savings institutions to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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### Table F.6—Continued

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<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tr>
<td>12g. Fixed nonresidential investment by credit unions</td>
<td>475013003</td>
<td>1.3</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NFI611EQ00), insurance carriers (I3NFI631EQ00), and holding and other investment offices (I3NFI671EQ00); plus Structures for commercial and mutual depository institutions (I3NFI6B1ST00), nondepository institutions (I3NFI611ST00), insurance carriers (I3NFI631ST00), and holding and other investment offices (I3NFI671ST00). The sum is multiplied by the ratio of investment in equipment by commercial and mutual depository institutions to investment in equipment and nonresidential structures by commercial and mutual depository institutions for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets reported by credit unions to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<td>---------------------------------------------------------</td>
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<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>12h. Fixed nonresidential investment by life insurance companies</td>
<td>545013003</td>
<td>25.9</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth (FRTW), Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NFI611EQ00), insurance carriers (I3NFI631EQ00), and holding and other investment offices (I3NFI671EQ00); plus Structures for commercial and mutual depository institutions (I3NFI6B1ST00), nondepository institutions (I3NFI611ST00), insurance carriers (I3NFI631ST00), and holding and other investment offices (I3NFI671ST00). For the structures component of the total, the sum is multiplied by the ratio of investment in nonresidential structures by insurance carriers to investment in equipment and nonresidential structures by insurance carriers, and by the ratio of tangible assets reported by life insurance companies to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. The equipment component is the sum of investment in equipment by the four financial institution groups delineated in FRTW less investment in equipment by the FOF financial sectors cited above other than life insurance companies. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
</tbody>
</table>
12i. Fixed nonresidential investment by other insurance companies 515013003 2.7 Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NFI611EQ00), insurance carriers (I3NFI631EQ00), and holding and other investment offices (I3NFI671EQ00); plus Structures for commercial and mutual depository institutions (I3NFI6B1ST00), nondepository institutions (I3NFI611ST00), insurance carriers (I3NFI631ST00), and holding and other investment offices (I3NFI671ST00). The sum is multiplied by the ratio of investment in equipment by insurance carriers to investment in equipment and nonresidential structures by insurance carriers for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets reported by other insurance companies to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers' durable equipment (SCB, NIPA table 5.4, line 8, Producers' durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.
<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>12j. Fixed nonresidential structures investment by private pension funds</td>
<td>575013063</td>
<td>.9</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series 13NFI6B1EQ00; revisions and updates provided by BEA), nondepositary institutions (13NFI611EQ00), insurance carriers (13NFI631EQ00), and holding and other investment offices (13NFI671EQ00); plus Structures for commercial and mutual depository institutions (13NFI6B1ST00), nondepositary institutions (13NFI611ST00), insurance carriers (13NFI631ST00), and holding and other investment offices (13NFI671ST00). The sum is multiplied by the ratio of investment in nonresidential structures by insurance carriers to investment in equipment and nonresidential structures by insurance carriers and multiplied by the ratio of tangible assets reported by private pension funds (converted to book value) to tangible assets, reported at book value, by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Private pension funds are assumed to have no equipment.</td>
</tr>
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</table>
12k. Fixed nonresidential structures investment by state and local government employee retirement funds

<table>
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<tr>
<th>Component</th>
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<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>12k. Fixed nonresidential structures investment by state and local</td>
<td>225013063</td>
<td>1.6</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table</td>
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<tr>
<td>government employee retirement funds</td>
<td></td>
<td></td>
<td>B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation</td>
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<td>and Constant-Cost Valuation, columns Millions of dollars, Equipment for</td>
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<td>commercial and mutual depository institutions (series I3NF6B1EQ00; revisions</td>
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<td>and updates provided by BEA), nondepository institutions (I3NF611EQ00),</td>
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<td>insurance carriers (I3NF631EQ00), and holding and other investment offices</td>
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<td>(I3NF671EQ00), plus Structures for commercial and mutual depository</td>
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<td>institutions (I3NF6B1ST00), nondepository institutions (I3NF611ST00),</td>
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<td>insurance carriers (I3NF631ST00), and holding and other investment offices</td>
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<td>(I3NF671ST00); the sum is multiplied by the ratio of investment in</td>
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<td>nonresidential structures by insurance carriers to investment in equipment</td>
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<td>and nonresidential structures by insurance carriers, and multiplied by</td>
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<td>the ratio of tangible assets reported by state and local government</td>
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<td>employee retirement funds to tangible assets reported by U.S.-chartered</td>
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<td>commercial banks, foreign banking offices in the U.S., bank holding</td>
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<td>companies, banks in U.S.-affiliated areas, savings institutions, credit</td>
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<td>unions, life insurance companies, other insurance companies, private</td>
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<td>pension funds, state and local government employee retirement funds,</td>
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<td>government-sponsored enterprises, finance companies, and real estate</td>
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<td>investment trusts. Series is converted to seasonally adjusted quarterly</td>
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<td>flow at annual rate by ratio method, using NIPA total investment in</td>
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<td>nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential</td>
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<td>structures) as the denominator. Unadjusted flow is not available;</td>
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<td>seasonally adjusted flow is converted from annual rate to quarterly rate</td>
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<td>and used as unadjusted flow in FOF reports of unadjusted data. State and</td>
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<td>local government employee retirement funds are assumed to have no equipment.</td>
</tr>
</tbody>
</table>
### Component Code 1997 value (billions of dollars) Explanation

| 121. Fixed nonresidential investment by government-sponsored enterprises | 405013003 | .4 | Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series 13NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (13NFI611EQ00), insurance carriers (13NFI631EQ00), and holding and other investment offices (13NFI671EQ00); plus Structures for commercial and mutual depository institutions (13NFI6B1ST00), nondepository institutions (13NFI611ST00), insurance carriers (13NFI631ST00), and holding and other investment offices (13NFI671ST00). The sum is multiplied by the ratio of investment in equipment by nondepository institutions to investment in equipment and nonresidential structures by nondepository institutions for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets reported by government-sponsored enterprises to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. |
F.6—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>12m. Fixed nonresidential investment by finance companies and fixed nonresidential equipment investment by issuers of asset-backed securities</td>
<td>615013003</td>
<td>23.8</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NF16B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NF1611EQ00), insurance carriers (I3NF1631EQ00), and holding and other investment offices (I3NF1671EQ00); plus Structures for commercial and mutual depository institutions (I3NF16B1ST00), nondepository institutions (I3NF1611ST00), insurance carriers (I3NF1631ST00), and holding and other investment offices (I3NF1671ST00). The sum is multiplied by the ratio of investment in equipment by nondepository institutions to investment in equipment and nonresidential structures by nondepository institutions for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets of finance companies to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. This series is assumed to include fixed nonresidential equipment investment in automobiles that collateralize securitized consumer motor vehicle leases; the automobiles are assets of the issuers of asset-backed securities sector.</td>
</tr>
</tbody>
</table>
## F.6 Distribution of Gross Domestic Product—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>12n. Fixed nonresidential investment by real estate investment trusts</td>
<td>645013013</td>
<td>30.8</td>
<td>Unadjusted flow estimated by FOF Section on the basis of industry reports of asset purchases. Calculated as investment in all structures, currently estimated as five-sixths of the change in the level of total property owned by REITs (FOF series 645019003, line 17a below), multiplied by the ratio of investment by REITs in nonresidential structures to investment by REITs in all structures (ratio estimated by FOF Section based on information from NAREIT); the remaining one-sixth of the change in net property is assumed to be land purchases. Quarterly allocation of annual flows estimated as a proportion of equity and debt issuance from REITWatch. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>12o. Fixed nonresidential investment by security brokers and dealers</td>
<td>665013003</td>
<td>1.1</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for security and commodity brokers (series I3NF1621EQ00; revisions and updates provided by BEA), plus Structures for security and commodity brokers (I3NF1621ST00). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>13. Fixed residential investment by private sectors</td>
<td>195012001</td>
<td>327.9</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.1, line 11, Private fixed residential investment; also shown in NIPA table 5.4, line 15, Residential. Unadjusted flow from SCB, NIPA table 9.1, line 11, Residential. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
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<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>14. Fixed residential investment by the households and nonprofit</td>
<td>155012005</td>
<td>282.4</td>
<td>Line 13 less lines 15, 16, and 17.</td>
</tr>
<tr>
<td>organizations sector</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. Fixed residential investment by nonfarm nonfinancial corporate</td>
<td>105012003</td>
<td>2.5</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B7, Residential Capital, by Type of Owner, Legal Form of Organization, and Industry, Historical-Cost Valuation, Private, Corporate (assumed to be all nonfinancial corporate) (series 13RFI652ES00; revisions and updates provided by BEA). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using fixed residential investment by private sectors (FOF series 195012001, line 13 above) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>business</td>
<td></td>
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</tr>
<tr>
<td>16. Fixed residential investment by nonfarm noncorporate business</td>
<td>115012003</td>
<td>36.2</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B7, Residential Capital, by Type of Owner, Legal Form of Organization, and Industry, Historical-Cost Valuation, Private, Noncorporate, Total (series 13RTOTL3ES00; revisions and updates provided by BEA); less Nonprofit institutions (13RFI658ES00); less, from table B9 on Private Residential Capital, by Tenure Group and Type of Equipment and Structures, Historical-Cost Valuation, Owner-occupied nonfarm (13RFI655ONOC), Owner-occupied farm (13RAG014ONOC), and Tenant-occupied farm (13RAG014TOOC). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using fixed residential investment by private sectors (FOF series 195012001, line 13 above) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>17. Fixed multifamily residential investment by real estate investment</td>
<td>645012205</td>
<td>6.9</td>
<td>Fixed investment in residential and nonresidential structures by real estate investment trusts (estimated as line 17a times 0.83333), less line 12n.</td>
</tr>
</tbody>
</table>
### F.6 Distribution of Gross Domestic Product—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in tangible assets of real estate investment trusts, at book value</td>
<td>645019003</td>
<td>45.2</td>
<td>Year-end level from NAREIT Industry Statistics, Industry Balance Sheet, Equity investments, Property owned, net of Accumulated depreciation, plus Other. Unadjusted quarterly flow estimated as a proportion of equity and debt issuance from REITWatch; level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Change in inventories of nonfinancial business</td>
<td>145020005</td>
<td>67.4</td>
<td>Sum of lines 19, 20, and 21.</td>
</tr>
<tr>
<td>Change in inventories, with inventory valuation adjustment (current cost of inventory change), of nonfarm nonfinancial corporate business</td>
<td>105020005</td>
<td>59.9</td>
<td>Line 19a less line 20.</td>
</tr>
<tr>
<td>Change in inventories of nonfarm nonfinancial business</td>
<td>125020001</td>
<td>63.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 5.10, line 3, Change in nonfarm business inventories. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>Change in inventories of nonfarm noncorporate business</td>
<td>115020003</td>
<td>3.2</td>
<td>Seasonally adjusted flow equal to SCB, NIPA table 5.10, line 3, Change in nonfarm business inventories, multiplied by the ratio of current-dollar inventories held by nonfarm noncorporate business (beginning 1989:Q1, estimated by FOF Section as 5 percent of SCB, NIPA table 5.12, line 3, Nonfarm inventories; previously, unpublished data provided by BEA) to current-dollar inventories held by all nonfarm business from NIPA table 5.12, line 3. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>Change in inventories of farm business</td>
<td>135020001</td>
<td>4.3</td>
<td>Seasonally adjusted flow from SCB, NIPA table 5.10, line 2, Change in farm business inventories. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
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<td>--------------------------------------------------------------------------</td>
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</tr>
<tr>
<td>22. Net U.S. exports of goods and services, NIPA basis</td>
<td>266990005</td>
<td>-93.4</td>
<td>Line 23 less line 24.</td>
</tr>
<tr>
<td>23. U.S. exports of goods and services to the rest of the world</td>
<td>266902001</td>
<td>965.4</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.1, line 14, Exports. Unadjusted flow from SCB, NIPA table 9.1, line 14, Exports. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>24. U.S. imports of goods and services from the rest of the world</td>
<td>266903001</td>
<td>1,058.8</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.1, line 17, Imports. Unadjusted flow from SCB, NIPA table 9.1, line 17, Imports. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>25. Consumption expenditures of and gross investment by government</td>
<td>366910005</td>
<td>1,454.6</td>
<td>Sum of lines 26 and 29.</td>
</tr>
<tr>
<td>27. Consumption expenditures of the federal government</td>
<td>316901001</td>
<td>460.4</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 15, Consumption expenditures. Unadjusted flow from SCB, NIPA table 9.3, line 7, Consumption expenditures. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>28. Consumption expenditures of state and local governments</td>
<td>206901001</td>
<td>758.8</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 14, Consumption expenditures. Unadjusted flow from SCB, NIPA table 9.4, line 8, Consumption expenditures. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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</tbody>
</table>
### F.6 Distribution of Gross Domestic Product—Continued

<table>
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<tr>
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<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>29. Fixed investment by government</td>
<td>365019005</td>
<td>235.4</td>
<td>Sum of lines 30 and 31.</td>
</tr>
<tr>
<td>30. Fixed investment by the federal government</td>
<td>315019001</td>
<td>59.8</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.7, sum of line 11, Federal government national defense gross investment, and line 24, Federal government nondefense gross investment. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>31. Fixed investment by state and local governments</td>
<td>205019001</td>
<td>175.6</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.7, line 35, Gross investment by state and local governments. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>32. Memorandum item: Net U.S. factor income from the rest of the world</td>
<td>266902105</td>
<td>-8.0</td>
<td>Line 33 less line 34.</td>
</tr>
<tr>
<td>33. U.S. receipts of factor income from the rest of the world</td>
<td>266902101</td>
<td>265.5</td>
<td>Seasonally adjusted flow from SCB, NIPA table 4.1, line 7, Receipts of factor income. Unadjusted flow from SCB, NIPA table 9.5, line 5, Receipts of factor income. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>34. U.S. payments of factor income to the rest of the world</td>
<td>266903101</td>
<td>273.5</td>
<td>Seasonally adjusted flow from SCB, NIPA table 4.1, line 15, Payments of factor income. Unadjusted flow from SCB, NIPA table 9.5, line 11, Payments of factor income. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>35. Gross national product (GNP)</td>
<td>086901005</td>
<td>8,102.8</td>
<td>Line 1 plus line 32.</td>
</tr>
</tbody>
</table>
Table F.7 Distribution of National Income

National income is the measure of earnings from aggregate economic activity. The amounts received by firms from buyers’ expenditures on the final goods and services that make up gross domestic product (GDP) are paid out as income to the factors of production. Certain portions of the total, however, are not paid as income: the amount of consumption of fixed capital, which is an expense but is retained in the firm or governmental unit as a form of saving; business transfer payments, which are paid out by firms but are not defined as income because they are not earned; indirect business taxes, that is, expenses during the production process paid to governmental units; and the current surplus of government enterprises net of subsidies from the governments, which is not considered factor income. To arrive at total national income, net income receipts earned abroad are added to domestic earnings, and the statistical discrepancy, which arises because GDP and the charges against it are estimated separately, is subtracted.

This table corresponds to table 1.14 of the national income and product accounts (NIPA) published in the Survey of Current Business by the Bureau of Economic Analysis (BEA). It shows the major components of national income—compensation of employees, proprietors’ income, rental income of persons, corporate profits with inventory valuation and capital consumption adjustments, and net interest—along with subcategories of the components and with sectoral detail on profits. A memorandum section at the bottom of the table, taken from NIPA table 1.9, shows the calculation of gross domestic product from national income.
### Table F.7 Distribution of National Income (1)

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>National Income</strong></td>
<td>4990.3</td>
<td>5266.7</td>
<td>5590.6</td>
<td>5923.6</td>
<td>6256.1</td>
<td>6646.5</td>
</tr>
<tr>
<td><strong>Compensation of employees</strong></td>
<td>3644.9</td>
<td>3814.8</td>
<td>4011.9</td>
<td>4208.8</td>
<td>4409.2</td>
<td>4687.2</td>
</tr>
<tr>
<td><strong>Wages and other labor income</strong></td>
<td>3337.6</td>
<td>3474.7</td>
<td>3654.5</td>
<td>3830.1</td>
<td>4018.3</td>
<td>4282.8</td>
</tr>
<tr>
<td><strong>Employer social insurance contributions</strong></td>
<td>323.0</td>
<td>335.7</td>
<td>353.0</td>
<td>365.3</td>
<td>381.7</td>
<td>400.7</td>
</tr>
<tr>
<td><strong>Wage accruals less disbursements</strong></td>
<td>-15.8</td>
<td>4.4</td>
<td>13.3</td>
<td>13.4</td>
<td>9.3</td>
<td>3.7</td>
</tr>
<tr>
<td><strong>Compensation of proprietors with inventory</strong></td>
<td>423.8</td>
<td>450.8</td>
<td>471.6</td>
<td>488.1</td>
<td>527.7</td>
<td>551.2</td>
</tr>
<tr>
<td><strong>Nonfarm</strong></td>
<td>386.7</td>
<td>418.4</td>
<td>434.7</td>
<td>465.6</td>
<td>488.8</td>
<td>515.8</td>
</tr>
<tr>
<td><strong>Farm</strong></td>
<td>37.1</td>
<td>32.4</td>
<td>36.9</td>
<td>22.4</td>
<td>38.9</td>
<td>35.5</td>
</tr>
<tr>
<td><strong>Rental income of persons (with capital consumption adjustment)</strong></td>
<td>79.4</td>
<td>105.7</td>
<td>124.4</td>
<td>133.8</td>
<td>150.2</td>
<td>158.2</td>
</tr>
<tr>
<td><strong>Corporate profits with inventory valuation and capital consumption adjustments</strong></td>
<td>428.0</td>
<td>492.8</td>
<td>570.5</td>
<td>672.4</td>
<td>750.4</td>
<td>817.9</td>
</tr>
<tr>
<td><strong>Profits before tax</strong></td>
<td>406.4</td>
<td>465.4</td>
<td>535.1</td>
<td>635.6</td>
<td>680.2</td>
<td>734.3</td>
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<tr>
<td><strong>Domestic nonfinancial</strong></td>
<td>256.6</td>
<td>307.4</td>
<td>391.9</td>
<td>440.9</td>
<td>472.4</td>
<td>504.6</td>
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<tr>
<td><strong>Farm</strong></td>
<td>1.2</td>
<td>1.2</td>
<td>0.4</td>
<td>0.5</td>
<td>0.7</td>
<td>0.8</td>
</tr>
<tr>
<td><strong>Foreign subsidiaries</strong></td>
<td>64.9</td>
<td>73.9</td>
<td>73.3</td>
<td>89.5</td>
<td>96.4</td>
<td>99.0</td>
</tr>
<tr>
<td><strong>Financial</strong></td>
<td>83.7</td>
<td>82.9</td>
<td>69.5</td>
<td>104.6</td>
<td>110.8</td>
<td>129.9</td>
</tr>
<tr>
<td><strong>Less</strong></td>
<td>143.0</td>
<td>165.2</td>
<td>186.6</td>
<td>211.0</td>
<td>226.1</td>
<td>246.1</td>
</tr>
<tr>
<td><strong>Profits tax liability</strong></td>
<td>90.6</td>
<td>104.5</td>
<td>128.3</td>
<td>136.3</td>
<td>151.0</td>
<td>169.2</td>
</tr>
<tr>
<td><strong>Domestic nonfinancial</strong></td>
<td>0.4</td>
<td>0.5</td>
<td>0.5</td>
<td>0.4</td>
<td>0.5</td>
<td>0.5</td>
</tr>
<tr>
<td><strong>Farm</strong></td>
<td>0.4</td>
<td>0.5</td>
<td>0.5</td>
<td>0.4</td>
<td>0.5</td>
<td>0.5</td>
</tr>
<tr>
<td><strong>Financial</strong></td>
<td>52.0</td>
<td>60.2</td>
<td>57.8</td>
<td>74.2</td>
<td>74.6</td>
<td>76.3</td>
</tr>
<tr>
<td><strong>Equals</strong></td>
<td>263.4</td>
<td>300.2</td>
<td>348.5</td>
<td>424.6</td>
<td>454.1</td>
<td>488.3</td>
</tr>
<tr>
<td><strong>Profits after tax</strong></td>
<td>147.9</td>
<td>157.6</td>
<td>182.4</td>
<td>205.3</td>
<td>261.9</td>
<td>275.1</td>
</tr>
<tr>
<td><strong>Domestic nonfinancial</strong></td>
<td>132.4</td>
<td>147.0</td>
<td>157.6</td>
<td>178.3</td>
<td>215.9</td>
<td>228.0</td>
</tr>
<tr>
<td><strong>Farm</strong></td>
<td>1.2</td>
<td>0.8</td>
<td>1.0</td>
<td>1.1</td>
<td>1.2</td>
<td>1.3</td>
</tr>
<tr>
<td><strong>Foreign subsidiaries</strong></td>
<td>23.4</td>
<td>20.8</td>
<td>31.8</td>
<td>30.9</td>
<td>37.1</td>
<td>40.4</td>
</tr>
<tr>
<td><strong>Financial</strong></td>
<td>-9.1</td>
<td>-11.0</td>
<td>-8.0</td>
<td>-5.0</td>
<td>7.7</td>
<td>5.4</td>
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<tr>
<td><strong>Undistributed profits</strong></td>
<td>115.5</td>
<td>142.6</td>
<td>166.1</td>
<td>219.3</td>
<td>192.3</td>
<td>213.2</td>
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<tr>
<td><strong>Domestic nonfinancial</strong></td>
<td>33.5</td>
<td>55.9</td>
<td>106.0</td>
<td>126.4</td>
<td>105.5</td>
<td>107.3</td>
</tr>
<tr>
<td><strong>Farm</strong></td>
<td>-0.4</td>
<td>-0.1</td>
<td>-1.1</td>
<td>-1.0</td>
<td>-1.0</td>
<td>-1.0</td>
</tr>
<tr>
<td><strong>Foreign subsidiaries</strong></td>
<td>41.5</td>
<td>53.1</td>
<td>41.6</td>
<td>58.6</td>
<td>59.3</td>
<td>58.7</td>
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<tr>
<td><strong>Financial</strong></td>
<td>40.9</td>
<td>33.7</td>
<td>19.6</td>
<td>35.4</td>
<td>28.5</td>
<td>48.2</td>
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<tr>
<td><strong>Inventory valuation adjustment</strong></td>
<td>-7.5</td>
<td>-8.6</td>
<td>-16.0</td>
<td>-22.6</td>
<td>-1.2</td>
<td>6.9</td>
</tr>
<tr>
<td><strong>Net interest</strong></td>
<td>414.3</td>
<td>402.5</td>
<td>412.3</td>
<td>420.6</td>
<td>418.6</td>
<td>432.0</td>
</tr>
</tbody>
</table>

### F.7 Distribution of National Income (1)—Continued

#### Billions of dollars

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td><strong>Memo:</strong></td>
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<tr>
<td>Calculation of Gross Domestic Product from National Income: (2)</td>
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</tr>
<tr>
<td><strong>38</strong> FA086010005 National Income, from line 1 above</td>
<td>4990.3</td>
<td>5266.7</td>
<td>5590.6</td>
<td>5923.6</td>
<td>6256.1</td>
<td>6646.5</td>
</tr>
<tr>
<td><strong>Plus:</strong></td>
<td></td>
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<td></td>
<td></td>
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</tr>
<tr>
<td><strong>39</strong> FA146401103 Business transfer payments to persons</td>
<td>22.5</td>
<td>22.1</td>
<td>23.8</td>
<td>25.8</td>
<td>26.4</td>
<td>27.3</td>
</tr>
<tr>
<td><strong>40</strong> FA146401203 Business transfer payments to rest of the world</td>
<td>5.9</td>
<td>6.0</td>
<td>6.8</td>
<td>7.1</td>
<td>7.4</td>
<td>8.0</td>
</tr>
<tr>
<td><strong>41</strong> FA366240005 Indirect business taxes and nontaxes</td>
<td>505.6</td>
<td>532.6</td>
<td>568.4</td>
<td>581.2</td>
<td>606.5</td>
<td>627.2</td>
</tr>
<tr>
<td><strong>42</strong> FA896300003 Private consumption of fixed capital</td>
<td>585.4</td>
<td>594.5</td>
<td>638.7</td>
<td>657.0</td>
<td>684.3</td>
<td>720.2</td>
</tr>
<tr>
<td><strong>43</strong> FA366300005 Government consumption of fixed capital</td>
<td>128.2</td>
<td>133.4</td>
<td>138.8</td>
<td>143.8</td>
<td>147.7</td>
<td>151.6</td>
</tr>
<tr>
<td><strong>44</strong> FA087005005 Statistical discrepancy</td>
<td>44.8</td>
<td>52.6</td>
<td>14.8</td>
<td>-26.3</td>
<td>-32.3</td>
<td>-55.8</td>
</tr>
<tr>
<td><strong>Less:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>45</strong> FA366402005 Subsidies less current surplus of government enterprises</td>
<td>27.1</td>
<td>31.1</td>
<td>26.6</td>
<td>25.1</td>
<td>22.0</td>
<td>21.9</td>
</tr>
<tr>
<td><strong>46</strong> FA266902105 Net U.S. factor income from rest of the world</td>
<td>11.1</td>
<td>18.7</td>
<td>8.2</td>
<td>17.5</td>
<td>12.4</td>
<td>-8.0</td>
</tr>
<tr>
<td><strong>Equals:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>47</strong> FA086902005 Gross Domestic Product</td>
<td>6244.5</td>
<td>6558.1</td>
<td>6947.0</td>
<td>7269.7</td>
<td>7661.7</td>
<td>8110.8</td>
</tr>
</tbody>
</table>

(1) This table corresponds to NIPA table 1.14 in the Survey of Current Business, Department of Commerce.

(2) The relationship of National Income to Gross Domestic Product is shown on NIPA table 1.9 in the Survey of Current Business, Department of Commerce.
### F.7 Distribution of National Income

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. National income</strong></td>
<td>086010005</td>
<td>6,646.5</td>
<td>Sum of lines 2, 6, 9, 10, and 37.</td>
</tr>
<tr>
<td><strong>2. Compensation of employees</strong></td>
<td>156025005</td>
<td>4,687.2</td>
<td>Sum of lines 3, 4, and 5.</td>
</tr>
<tr>
<td><strong>3. Wages and other labor income</strong></td>
<td>156020005</td>
<td>4,282.8</td>
<td>Sum of lines 3a and 3b, less personal dividend income (line 22 net of line 3c), less personal interest income (sum of lines 3d, 3e, 3f, and 37), less transfer payments to persons (equal to the sum of lines 3g and 39 plus line 3h net of federal government transfer payments to the rest of the world, line 3i less lines 3j and 40), and less lines 6 and 9.</td>
</tr>
<tr>
<td><strong>3a. Personal income</strong></td>
<td>156010001</td>
<td>6,784.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 2.1, line 1, Personal income. Unadjusted flow calculated by FOF Section using unadjusted flows for components of total (adjusted flows at quarterly rates used for components for which unadjusted flows are not available). For recent quarters, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td><strong>3b. Personal contributions for social insurance</strong></td>
<td>156601003</td>
<td>326.3</td>
<td>Seasonally adjusted flow from SCB, NIPA table 2.1, line 24, Personal contributions for social insurance. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td><strong>3c. Dividends received by state and local governments</strong></td>
<td>206120001</td>
<td>14.8</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 19, Dividends received by government. Unadjusted flow from SCB, NIPA table 9.4, line 13, Dividends received by government. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td><strong>3d. Net interest paid by state and local governments</strong></td>
<td>206130001</td>
<td>-77.4</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 16, Net interest paid. Unadjusted flow from SCB, NIPA table 9.4, line 10, Net interest paid. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
</tbody>
</table>
## F.7 Distribution of National Income—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>3e. Net interest paid by the federal government</td>
<td>316132001</td>
<td>231.2</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 20, Net interest paid. Unadjusted flow from SCB, NIPA table 9.3, line 12, Net interest paid. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>3f. Interest paid by persons</td>
<td>156901103</td>
<td>161.5</td>
<td>Seasonally adjusted flow from SCB, NIPA table 2.1, line 29, Interest paid by persons. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>3g. Transfer payments to persons made by state and local governments</td>
<td>206401001</td>
<td>304.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 15, Transfer payments to persons. Unadjusted flow from SCB, NIPA table 9.4, line 9, Transfer payments to persons. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>3h. Transfer payments made by the federal government, net</td>
<td>316401001</td>
<td>791.9</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 16, Transfer payments (net). Unadjusted flow from SCB, NIPA table 9.3, line 8, Transfer payments (net). For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>3i. Net transfer payments from the U.S. to the rest of the world</td>
<td>266400001</td>
<td>39.5</td>
<td>Seasonally adjusted flow from SCB, NIPA table 4.1, line 16, Transfer payments (net). Unadjusted flow from SCB, NIPA table 9.5, line 12, Transfer payments (net). For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
</tbody>
</table>
### Table F.7—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>3j. Net personal transfer payments to the rest of the world</td>
<td>156901201</td>
<td>18.9</td>
<td>Seasonally adjusted flow from SCB, NIPA table 2.1, line 30, Personal transfer payments to rest of the world (net); also shown in NIPA table 4.1, line 17, Transfer payments from persons (net). Unadjusted flow from SCB, NIPA table 9.5, line 13, Transfer payments from persons (net). For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>4. Employer social insurance contributions</td>
<td></td>
<td></td>
<td>Sum of lines 4a and 4b, less line 3b.</td>
</tr>
<tr>
<td>4a. Social insurance receipts of state and local governments</td>
<td>206601001</td>
<td>79.9</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 11, Contributions for social insurance. Unadjusted flow from SCB, NIPA table 9.4, line 5, Contributions for social insurance. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>4b. Social insurance receipts of the federal government</td>
<td>316601001</td>
<td>647.0</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 13, Contributions for social insurance. Unadjusted flow from SCB, NIPA table 9.3, line 5, Contributions for social insurance. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>5. Wage accruals less disbursements</td>
<td></td>
<td></td>
<td>Sum of lines 5a, 5b, and 5c.</td>
</tr>
<tr>
<td>5a. Private wage accruals less disbursements</td>
<td>836700003</td>
<td>3.7</td>
<td>Seasonally adjusted flow from SCB, NIPA table 5.1, line 10, Wage accruals less disbursements. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
</tbody>
</table>
## F.7 Distribution of National Income—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>5b. Wage accruals less disbursements by state and local governments</td>
<td>206700001</td>
<td>.0</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 23, Wage accruals less disbursements. Unadjusted flow from SCB, NIPA table 9.4, line 17, Wage accruals less disbursements. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>5c. Wage accruals less disbursements by the federal government</td>
<td>316700001</td>
<td>.0</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 28, Wage accruals less disbursements. Unadjusted flow from SCB, NIPA table 9.3, line 20, Wage accruals less disbursements. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>6. Proprietors' income, with inventory valuation and capital consumption adjustments</td>
<td>166111105</td>
<td>551.2</td>
<td>Sum of lines 7 and 8.</td>
</tr>
<tr>
<td>7. Nonfarm proprietors' net income, with inventory valuation and capital consumption adjustments</td>
<td>116111103</td>
<td>515.8</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.14, line 13, Nonfarm proprietors' income with inventory valuation and capital consumption adjustments. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>8. Farm proprietors' net income, with inventory valuation and capital consumption adjustments</td>
<td>136111103</td>
<td>35.5</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.14, line 10, Farm proprietors' income with inventory valuation and capital consumption adjustments. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>9. Rental income of persons, with capital consumption adjustment</td>
<td>116112103</td>
<td>158.2</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.14, line 17, Rental income of persons with capital consumption adjustment. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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### Table F.7—Continued

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<tr>
<td>10. Corporate profits, with inventory valuation and capital consumption adjustments</td>
<td>096060305</td>
<td>817.9</td>
<td>Sum of lines 11 and 33.</td>
</tr>
<tr>
<td>11. Corporate profits, with inventory valuation adjustment</td>
<td>096060205</td>
<td>741.2</td>
<td>Sum of lines 12 and 32.</td>
</tr>
<tr>
<td>12. Corporate profits, at book value, before tax</td>
<td>096060005</td>
<td>734.3</td>
<td>Sum of lines 17, 22, and 27.</td>
</tr>
<tr>
<td>13. Profits before tax, at book value, originating from domestic operations of nonfarm nonfinancial corporate business</td>
<td>106060005</td>
<td>504.6</td>
<td>Line 12 less lines 14, 15, and 16.</td>
</tr>
<tr>
<td>14. Profits of corporate farms</td>
<td>136060005</td>
<td>.8</td>
<td>Sum of lines 19, 24, and 29.</td>
</tr>
<tr>
<td>16. Profits of financial corporations</td>
<td>796060005</td>
<td>129.9</td>
<td>Sum of lines 20, 26, and 31.</td>
</tr>
<tr>
<td>17. Corporate profit tax liabilities owed to state and local and federal governments</td>
<td>096231001</td>
<td>246.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.14, line 23, Corporate profits tax liability. Unadjusted flow from SCB, NIPA table 9.6, line 3, Corporate profits tax liability. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<tr>
<td>19. Tax liabilities of corporate farms</td>
<td>136231003</td>
<td>0.5</td>
<td>Annual flow from SCB, NIPA table 6.18C, line 4. Corporate profits tax liability of farms. Series is converted to seasonally adjusted quarterly flow by ratio method, using corporate profit tax liabilities owed to federal and state and local governments (FOF series 096231001, line 17 above) as the denominator. Data for farms not available for most recent two years; estimated by multiplying total for Agriculture, forestry, and fishing (SCB, NIPA table 6.18C, line 3) by farm proportion of total for latest year available. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>20. Tax liabilities of financial corporations</td>
<td>796231001</td>
<td>76.3</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.16, line 11, Profits tax liability of all corporate business, less line 29, Profits tax liability of nonfinancial corporate business. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>21. Profits after tax of corporate business</td>
<td>096050005</td>
<td>488.3</td>
<td>Line 12 less line 17; also equal to the sum of lines 22 and 27.</td>
</tr>
<tr>
<td>22. Dividends paid by corporate business</td>
<td>096120001</td>
<td>275.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.14, line 25, Dividends. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>24. Dividends paid by corporate farms</td>
<td>136120003</td>
<td>1.3</td>
<td>Annual flow from SCB, NIPA table 6.20C, line 4, Net corporate dividends of farms. Series is converted to seasonally adjusted quarterly flow by ratio method, using dividends paid by corporate business (FOF series 096120001, line 22 above) as the denominator. Data for farms not available for most recent two years; estimated by multiplying total for Agriculture, forestry, and fishing (SCB, NIPA table 6.20C, line 3) by farm proportion of total for latest year available. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>25. Earnings received from foreign subsidiaries by U.S. corporations</td>
<td>266120001</td>
<td>40.4</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.14, line 25, Dividends paid by all corporations, less NIPA table 1.16, line 13, Dividends paid by domestic corporations. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>26. Dividends paid by financial corporations</td>
<td>796120001</td>
<td>5.4</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.16, line 13, Dividends paid by corporate business, less line 31, Dividends paid by nonfinancial corporate business. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>27. Undistributed profits of corporate business, excluding inventory valuation and capital consumption adjustments, at book value</td>
<td>096006001</td>
<td>213.2</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.14, line 26, Undistributed profits. Unadjusted flow equal to unadjusted flow for corporate profits after tax, from SCB, NIPA table 9.6, line 4, Profits after tax, less seasonally adjusted flow for dividends paid by corporate business (FOF series 096120001, line 22 above) at quarterly rate. For recent quarters, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<tr>
<td>29. Undistributed profits of corporate farms, at book value</td>
<td>136006003</td>
<td>-1.0</td>
<td>Annual flow from SCB, NIPA table 6.21C, line 4, Undistributed corporate profits of farms. Series is converted to seasonally adjusted quarterly flow by ratio method, using undistributed profits of corporate business, excluding inventory valuation and capital consumption adjustments, at book value (FOF series 096006001, line 27 above) as the denominator. Data for farms for the most recent two years estimated by multiplying total for Agriculture, forestry, and fishing (SCB, NIPA table 6.21C, line 3) by farm proportion of total for latest year available. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>30. Undistributed profits retained abroad by foreign operations of U.S. nonfarm nonfinancial corporations, at book value</td>
<td>266006001</td>
<td>58.7</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.14, line 26, Undistributed profits of all corporations, less NIPA table 1.16, line 14, Undistributed profits of domestic corporations. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>31. Undistributed profits of financial corporations, at book value</td>
<td>796006001</td>
<td>48.2</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.16, line 14, Undistributed profits of corporate business, less line 32, Undistributed profits of nonfinancial corporate business. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>32. Inventory valuation adjustment for nonfarm nonfinancial corporate business</td>
<td>105020601</td>
<td>6.9</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.16, line 33, Inventory valuation adjustment for nonfinancial corporate business. Unadjusted flow from SCB, NIPA table 9.6, Inventory valuation adjustment. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>33. Capital consumption adjustment for corporate business</td>
<td>096310003</td>
<td>76.7</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.14, line 28, Capital consumption adjustment for corporations. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>34. Capital consumption adjustment for domestic nonfarm nonfinancial corporate business</td>
<td>106310005</td>
<td>81.6</td>
<td>Line 33 less lines 35 and 36.</td>
</tr>
<tr>
<td>35. Capital consumption adjustment for corporate farms</td>
<td>136310103</td>
<td>.3</td>
<td>Annual flow from SCB, NIPA table 6.22C, line 3, Corporate capital consumption allowances for farms (data for most recent two years estimated as farm proportion, for latest year available, of SCB, NIPA table 6.22C, line 2, Agriculture, forestry, and fishing), less consumption of fixed capital by farm corporations (SCB, NIPA table 8.8, line 15, Consumption of fixed capital by the farm sector, net of SCB, table 8.12, line 7, Consumption of fixed capital by farm sole proprietorships and partnerships). Series is converted to seasonally adjusted quarterly flow by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, line 42 below) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>36. Capital consumption adjustment for financial corporations</td>
<td>796310003</td>
<td>-5.3</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.16, line 16, Capital consumption adjustment for corporate business, less line 34, Capital consumption adjustment for nonfinancial corporate business. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>37. Net interest</td>
<td>086130003</td>
<td>432.0</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.14, line 29, Net interest. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>38. National income</td>
<td>086010005</td>
<td>6,646.5</td>
<td>Same as line 1.</td>
</tr>
<tr>
<td>39. Business transfer payments to persons</td>
<td>146401103</td>
<td>27.2</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.9, line 25, Business transfer payments to persons. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>40. Business transfer payments to the rest of the world</td>
<td>146401203</td>
<td>8.0</td>
<td>Seasonally adjusted flow from SCB, NIPA table 4.1, line 19, Transfer payments to the rest of the world from business. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>41. Indirect business taxes and nontaxes owed to government</td>
<td>366240005</td>
<td>627.2</td>
<td>Sum of lines 41a and 41b.</td>
</tr>
<tr>
<td>41a. Indirect business tax and nontax accruals owed to state and local governments</td>
<td>206240001</td>
<td>533.4</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 7, Indirect business tax and nontax accruals. Unadjusted flow from SCB, NIPA table 9.4, line 4, Indirect business tax and nontax accruals. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>41b. Indirect business tax and nontax accruals owed to the federal government</td>
<td>316240001</td>
<td>93.8</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 9, Indirect business tax and nontax accruals. Unadjusted flow from SCB, NIPA table 9.3, line 4, Indirect business tax and nontax accruals. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>42. Consumption of fixed capital by private sectors</td>
<td>896300003</td>
<td>720.2</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.9, line 6, Private consumption of fixed capital. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>43. Consumption of fixed capital by government</td>
<td>366300005</td>
<td>151.6</td>
<td>Sum of lines 43a and 43b.</td>
</tr>
<tr>
<td>43a. Consumption of fixed capital by state and local governments</td>
<td>206300001</td>
<td>81.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 5.1, line 16, Consumption of fixed capital. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<td>43b. Consumption of fixed capital by the federal government</td>
<td>316300001</td>
<td>70.6</td>
<td>Seasonally adjusted flow from SCB, NIPA table 5.1, line 13, Consumption of fixed capital by the federal government. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>44. NIPA statistical discrepancy</td>
<td>087005005</td>
<td>−55.8</td>
<td>Gross investment less gross saving. Gross investment is equal to the sum of lines 44a, 44b, 44c, 44d, 44e, 44f, 44g, 44h net of 44i, and 44j net of 44k; less line 3i. Gross saving is equal to the sum of personal saving, other components of private saving, state and local government saving, federal government saving, and net capital grants received by the U.S. Personal saving is equal to line 3a less lines 3f, 3j, 44l, 44m, and 44n. Other components of private saving are lines 5a, 27, 32, 33, and 42. State and local government saving is equal to the sum of lines 3c, 4a, 5b, 41a, 43a, 44m, 44o, and 44p, less line 3d, 3g, 44q, and 44r. Federal government saving is equal to the sum of lines 4b, 5c, 17 net of 44o, 41b, 43b, and 44i, less lines 3e, 3h, 44p, 44s, and 44t. Capital grants received by the U.S. are line 44g. The statistical discrepancy is also shown in SCB, NIPA table 5.1, line 23.</td>
</tr>
<tr>
<td>44a. Fixed nonresidential investment by private domestic sectors</td>
<td>895013001</td>
<td>860.7</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.1, line 8, Fixed nonresidential investment. Unadjusted flow from SCB, NIPA table 9.1, line 8, Fixed nonresidential investment. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>44b. Fixed residential investment by private sectors</td>
<td>195012001</td>
<td>327.9</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.1, line 11, Private fixed residential investment; also shown in NIPA table 5.4, line 15, Residential. Unadjusted flow from SCB, NIPA table 9.1, line 11, Residential. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<tr>
<td>44c. Change in inventories of nonfarm nonfinancial business</td>
<td>125020001</td>
<td>63.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 5.10, line 3, Change in nonfarm business inventories. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>44d. Change in inventories of farm business</td>
<td>135020001</td>
<td>4.3</td>
<td>Seasonally adjusted flow from SCB, NIPA table 5.10, line 2, Change in farm business inventories. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>44e. Fixed investment by the federal government</td>
<td>315019001</td>
<td>59.8</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.7, sum of line 11, Federal government national defense gross investment, and line 24, Federal government nondefense gross investment. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>44f. Fixed investment by state and local governments</td>
<td>205019001</td>
<td>175.6</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.7, line 35, Gross investment by state and local governments. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>44g. Net capital grants received by the U.S. from the rest of the world</td>
<td>313011301</td>
<td>.0</td>
<td>Seasonally adjusted flow from SCB, NIPA table 4.1, line 8, Capital grants received by the U.S. (net). Unadjusted flow from SCB, NIPA table 9.5, line 6, Capital grants received by the U.S. (net). For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>44h. U.S. exports of goods and services to the rest of the world</td>
<td>266902001</td>
<td>965.4</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.1, line 14, Exports. Unadjusted flow from SCB, NIPA table 9.1, line 14, Exports. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<tr>
<td>44i. U.S. imports of goods and services from the rest of the world</td>
<td>266903001</td>
<td>1,058.8</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.1, line 17, Imports. Unadjusted flow from SCB, NIPA table 9.1, line 17, Imports. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>44j. U.S. receipts of factor income from the rest of the world</td>
<td>266902101</td>
<td>265.5</td>
<td>Seasonally adjusted flow from SCB, NIPA table 4.1, line 7, Receipts of factor income. Unadjusted flow from SCB, NIPA table 9.5, line 5, Receipts of factor income. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>44k. U.S. payments of factor income to the rest of the world</td>
<td>266903101</td>
<td>273.5</td>
<td>Seasonally adjusted flow from SCB, NIPA table 4.1, line 15, Payments of factor income. Unadjusted flow from SCB, NIPA table 9.5, line 11, Payments of factor income. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>44l. Personal tax and nontax receipts of the federal government</td>
<td>316210001</td>
<td>769.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 2, Personal tax and nontax receipts. Unadjusted flow from SCB, NIPA table 9.3, line 2, Personal tax and nontax receipts. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<tr>
<td>44m. Personal tax and nontax receipts of state and local governments</td>
<td>206210001</td>
<td>219.9</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 2, Personal tax and nontax receipts. Unadjusted flow from SCB, NIPA table 9.4, line 2, Personal tax and nontax receipts. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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</tbody>
</table>
### F.7 Distribution of National Income—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>44n. Personal consumption expenditures</td>
<td>156901001</td>
<td>5,493.7</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.1, line 2, Personal consumption expenditures. Unadjusted flow from SCB, NIPA table 9.2, line 1, Personal consumption expenditures. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>44o. Accruals of corporate profit taxes owed to state and local governments</td>
<td>206231001</td>
<td>36.0</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 6, Corporate profits tax accruals. Unadjusted flow from SCB, NIPA table 9.4, line 3, Corporate profits tax accruals. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>44p. Grants-in-aid to state and local governments from the federal government</td>
<td>206403001</td>
<td>225.0</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 19, Grants-in-aid to state and local governments; also shown in NIPA table 3.3, line 12, Federal grants-in-aid. Unadjusted flow from SCB, NIPA table 9.3, line 11, Grants-in-aid to state and local governments; also shown in NIPA table 9.4, line 6, Federal grants-in-aid. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>44q. Consumption expenditures of state and local governments</td>
<td>206901001</td>
<td>758.8</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 14, Consumption expenditures. Unadjusted flow from SCB, NIPA table 9.4, line 8, Consumption expenditures. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
</tbody>
</table>
Table F.7—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>44r. Subsidies less current surplus of state and local government enterprises</td>
<td>206402001</td>
<td>-10.5</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 20, Subsidies less current surplus of government enterprises. Unadjusted flow from SCB, NIPA table 9.4, line 14, Subsidies less current surplus of government enterprises. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>44s. Consumption expenditures of the federal government</td>
<td>316901001</td>
<td>460.4</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 15, Consumption expenditures. Unadjusted flow from SCB, NIPA table 9.3, line 7, Consumption expenditures. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>44t. Subsidies less current surplus of federal government enterprises</td>
<td>316402001</td>
<td>32.5</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 25, Subsidies less current surplus of government enterprises. Unadjusted flow from SCB, NIPA table 9.3, line 17, Subsidies less current surplus of government enterprises. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>45. Subsidies less current surplus of government enterprises</td>
<td>366402005</td>
<td>21.9</td>
<td>Sum of lines 44r and 44t.</td>
</tr>
<tr>
<td>46. Net U.S. factor income (net receipts, from the rest of the world, of interest, corporate profits, and employee compensation)</td>
<td>266902105</td>
<td>-8.0</td>
<td>Line 44j less line 44k.</td>
</tr>
<tr>
<td>47. Gross domestic product (GDP)</td>
<td>086902005</td>
<td>8,110.8</td>
<td>Line 38 plus lines 39, 40, 41, 42, 43, and 44, less lines 45 and 46.</td>
</tr>
</tbody>
</table>
Table F.8  Gross Saving and Investment

The flow of funds accounts show the relationship between saving and investment for individual sectors in the economy and are thus linked to the national income and product accounts (NIPA), which measure saving and investment for the entire economy. Flow of funds statistical releases include several tables—F.6, F.7, and this one—that reproduce data from the NIPA and enable users to analyze sectoral saving and investment in relation to the totals. The three tables correspond to tables that appear in the Survey of Current Business, a monthly publication of the Bureau of Economic Analysis (BEA), which compiles the NIPA.

Saving for any economic sector, in the NIPA, is the amount not spent out of current income. For individuals, saving is disposable personal income less current outlays; for incorporated businesses, saving is undistributed profits; and for governments, saving is the current surplus (equal to current receipts from taxes, social insurance payments, and, for state and local governments, from federal grants-in-aid, less current expenditures). Saving inclusive of consumption of fixed capital, or depreciation, is known as gross saving. Consumption of fixed capital is an item representing the value of the portion of fixed capital goods that is used up during a time period. It is a source of funds for any economic unit because it is a current expense that is not accompanied by a payment of funds outside the unit; the funds are retained and can be used for other expenditures.

Investment for any economic sector, in contrast, is a use of funds—the purchase of goods (the fixed capital goods referred to above) that are used in the production of other goods and services without being completely consumed during the production of any one good, along with changes in business inventories. (Goods that are completely consumed during a single production process or over the short term are known as intermediate goods; services purchased for use in the production process are always intermediate.) Fixed capital goods are residential and nonresidential structures and residential and nonresidential durable equipment. In the NIPA, total investment for the economy also includes net foreign investment in the U.S., which is equal to total foreign outlays to the U.S. less total foreign income from the U.S. Gross investment is the total of investment expenditures; net investment equals total investment less expenditures made to replace fixed capital goods that have worn out or have become economically obsolete. In practice, expenditures made for these replacement purposes are considered to be equal to the value of the consumption of fixed capital, or the depreciation allowances.

This table shows both gross saving and gross investment apportioned to three sectors—private domestic, government, and rest of the world. By definition, gross saving and gross investment are equal; in practice, however, they differ because measurements in the aggregate reflect timing and reporting differences, measurement errors, and differences in estimation procedures. A statistical discrepancy to account for these differences is reported in the NIPA. Because of certain definitional differences between the flow of funds accounts and the NIPA, the flow of funds sectoral figures for saving and investment do not sum to the NIPA totals; a discussion of these differences and a table showing a reconciliation between the two totals can be found in part 1 of this Guide.
### Table F8

#### Gross Saving and Investment (1)

Billion dollar

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gross saving</td>
<td>904.3</td>
<td>949.5</td>
<td>1079.0</td>
<td>1187.3</td>
<td>1274.7</td>
<td>1406.3</td>
</tr>
<tr>
<td>2. Gross private saving</td>
<td>970.7</td>
<td>979.3</td>
<td>1030.1</td>
<td>1106.1</td>
<td>1114.6</td>
<td>1141.7</td>
</tr>
<tr>
<td>3. Personal saving</td>
<td>264.1</td>
<td>210.3</td>
<td>176.8</td>
<td>179.6</td>
<td>158.6</td>
<td>121.1</td>
</tr>
<tr>
<td>4. Undistributed corporate profits</td>
<td>115.5</td>
<td>142.6</td>
<td>166.1</td>
<td>219.3</td>
<td>192.3</td>
<td>213.2</td>
</tr>
<tr>
<td>5. Corporate capital consumption adjustment</td>
<td>-7.5</td>
<td>-8.6</td>
<td>-16.0</td>
<td>-22.6</td>
<td>-1.2</td>
<td>6.9</td>
</tr>
<tr>
<td>6. Private consumption of fixed capital</td>
<td>585.4</td>
<td>594.5</td>
<td>638.7</td>
<td>657.0</td>
<td>684.3</td>
<td>720.2</td>
</tr>
<tr>
<td>7. Wage accruals less disbursements</td>
<td>-15.8</td>
<td>4.4</td>
<td>13.3</td>
<td>13.4</td>
<td>9.3</td>
<td>3.7</td>
</tr>
<tr>
<td>8. Gross government saving</td>
<td>-66.4</td>
<td>-29.8</td>
<td>48.9</td>
<td>81.2</td>
<td>160.0</td>
<td>264.6</td>
</tr>
<tr>
<td>9. Federal</td>
<td>-215.0</td>
<td>-182.7</td>
<td>-117.2</td>
<td>-103.7</td>
<td>-39.6</td>
<td>49.5</td>
</tr>
<tr>
<td>10. Consumption of fixed capital</td>
<td>65.9</td>
<td>67.9</td>
<td>69.5</td>
<td>70.7</td>
<td>70.7</td>
<td>70.6</td>
</tr>
<tr>
<td>11. Current surplus</td>
<td>-280.9</td>
<td>-250.7</td>
<td>-186.7</td>
<td>-174.4</td>
<td>-110.3</td>
<td>-21.1</td>
</tr>
<tr>
<td>12. State and local</td>
<td>148.5</td>
<td>153.0</td>
<td>166.1</td>
<td>185.0</td>
<td>199.7</td>
<td>215.2</td>
</tr>
<tr>
<td>13. Consumption of fixed capital</td>
<td>62.3</td>
<td>65.5</td>
<td>69.4</td>
<td>73.2</td>
<td>77.1</td>
<td>81.1</td>
</tr>
<tr>
<td>14. Current surplus</td>
<td>86.2</td>
<td>87.5</td>
<td>96.7</td>
<td>111.8</td>
<td>122.6</td>
<td>134.1</td>
</tr>
<tr>
<td>15. Capital grants received by the U.S. (net)</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>16. Gross investment</td>
<td>949.1</td>
<td>1002.1</td>
<td>1093.8</td>
<td>1161.0</td>
<td>1242.4</td>
<td>1350.5</td>
</tr>
<tr>
<td>17. Gross private domestic investment</td>
<td>790.5</td>
<td>876.2</td>
<td>1007.8</td>
<td>1043.2</td>
<td>1131.9</td>
<td>1256.0</td>
</tr>
<tr>
<td>18. Fixed investment</td>
<td>783.4</td>
<td>855.7</td>
<td>946.6</td>
<td>1012.5</td>
<td>1099.8</td>
<td>1188.6</td>
</tr>
<tr>
<td>19. Nonresidential</td>
<td>557.9</td>
<td>604.1</td>
<td>660.6</td>
<td>727.7</td>
<td>787.9</td>
<td>860.7</td>
</tr>
<tr>
<td>20. Residential</td>
<td>225.6</td>
<td>251.6</td>
<td>286.0</td>
<td>284.8</td>
<td>311.9</td>
<td>327.9</td>
</tr>
<tr>
<td>21. Change in business inventories</td>
<td>7.0</td>
<td>20.5</td>
<td>61.2</td>
<td>30.7</td>
<td>32.1</td>
<td>67.4</td>
</tr>
<tr>
<td>22. Gross government investment</td>
<td>209.1</td>
<td>204.5</td>
<td>205.9</td>
<td>218.4</td>
<td>229.7</td>
<td>235.4</td>
</tr>
<tr>
<td>23. Net foreign investment in U.S.</td>
<td>-50.4</td>
<td>-78.6</td>
<td>-119.9</td>
<td>-100.6</td>
<td>-119.2</td>
<td>-140.9</td>
</tr>
<tr>
<td>24. Statistical discrepancy (line 17 less line 1)</td>
<td>44.8</td>
<td>52.6</td>
<td>14.8</td>
<td>-26.3</td>
<td>-32.3</td>
<td>-55.8</td>
</tr>
</tbody>
</table>

(1) This table corresponds to NIPA table 5.1 in the Survey of Current Business, Department of Commerce.
## F.8 Gross Saving and Investment

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gross saving</td>
<td>896006005</td>
<td>1,406.3</td>
<td>Sum of lines 2, 9, and 16.</td>
</tr>
<tr>
<td>2. Gross private saving</td>
<td>836006005</td>
<td>1,141.7</td>
<td>Sum of line 3 and lines 4 through 8.</td>
</tr>
<tr>
<td>3. Personal saving, NIPA measure</td>
<td>156007105</td>
<td>121.1</td>
<td>Line 3a less lines 3b through 3f.</td>
</tr>
<tr>
<td>3a. Personal income</td>
<td>156010001</td>
<td>6,784.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 2.1, line 1, Personal income. Unadjusted flow calculated by FOF Section using unadjusted flows for components of total (adjusted flows at quarterly rates used for components for which unadjusted flows are not available). For recent quarters, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>3b. Personal tax and nontax receipts of state and local governments</td>
<td>206210001</td>
<td>219.9</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 2, Personal tax and nontax receipts. Unadjusted flow from SCB, NIPA table 9.4, line 2, Personal tax and nontax receipts. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>3c. Personal tax and nontax receipts of the federal government</td>
<td>316210001</td>
<td>769.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 2, Personal tax and nontax receipts. Unadjusted flow from SCB, NIPA table 9.3, line 2, Personal tax and nontax receipts. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>3d. Personal consumption expenditures</td>
<td>156901001</td>
<td>5,493.7</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.1, line 2, Personal consumption expenditures. Unadjusted flow from SCB, NIPA table 9.2, line 1, Personal consumption expenditures. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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</table>
### F.8—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>3e. Interest paid by persons</td>
<td>156901103</td>
<td>161.5</td>
<td>Seasonally adjusted flow from SCB, NIPA table 2.1, line 29, Interest paid by persons. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>3f. Net personal transfer payments to the rest of the world</td>
<td>156901201</td>
<td>18.9</td>
<td>Seasonally adjusted flow from SCB, NIPA table 2.1, line 30, Personal transfer payments to rest of the world (net); also shown in NIPA table 4.1, line 17, Transfer payments from persons (net). Unadjusted flow from SCB, NIPA table 9.5, line 13, Transfer payments from persons (net). For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>4. Undistributed profits of corporate business, excluding inventory valuation and capital consumption adjustments, at book value</td>
<td>096006001</td>
<td>213.2</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.14, line 26, Undistributed profits. Unadjusted flow equal to unadjusted flow for corporate profits after tax, from SCB, NIPA table 9.6, line 4, Profits after tax, less seasonally adjusted flow for dividends paid by corporate business (FOF series 096120001, table F.7, line 22) at quarterly rate. For recent quarters, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>5. Inventory valuation adjustment for nonfarm nonfinancial corporate business</td>
<td>105020601</td>
<td>6.9</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.16, line 33, Inventory valuation adjustment for nonfinancial corporate business. Unadjusted flow from SCB, NIPA table 9.6, Inventory valuation adjustment. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>6. Capital consumption adjustment for corporate business</td>
<td>096310003</td>
<td>76.7</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.14, line 28, Capital consumption adjustment for corporations. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
</tbody>
</table>
### F.8 Gross Saving and Investment—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>7. Consumption of fixed capital by private sectors</td>
<td>896300003</td>
<td>720.2</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.9, line 6, Private consumption of fixed capital. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>8. Private wage accruals less disbursements</td>
<td>836700003</td>
<td>3.7</td>
<td>Seasonally adjusted flow from SCB, NIPA table 5.1, line 10, Wage accruals less disbursements. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>10. Gross saving of the federal government, NIPA basis</td>
<td>316006005</td>
<td>49.5</td>
<td>Sum of lines 11 and 12.</td>
</tr>
<tr>
<td>11. Consumption of fixed capital by the federal government</td>
<td>316300001</td>
<td>70.6</td>
<td>Seasonally adjusted flow from SCB, NIPA table 5.1, line 13, Consumption of fixed capital by the federal government. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>12. Current surplus (or deficit) of the federal government, NIPA basis</td>
<td>316061105</td>
<td>–21.1</td>
<td>Current receipts of the federal government (sum of lines 3c, 12a, 12b, and 12c net of 12d) less current expenditures of the federal government (sum of lines 12e through 12i, net of line 12j).</td>
</tr>
<tr>
<td>12a. Indirect business tax and nontax accruals owed to the federal government</td>
<td>316240001</td>
<td>93.8</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 9, Indirect business tax and nontax accruals. Unadjusted flow from SCB, NIPA table 9.3, line 4, Indirect business tax and nontax accruals. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
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<td>----------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>12b. Social insurance receipts of the federal government</strong></td>
<td>316601001</td>
<td>647.0</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 13, Contributions for social insurance. Unadjusted flow from SCB, NIPA table 9.3, line 5, Contributions for social insurance. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td><strong>12c. Corporate profit tax liabilities owed to state and local and federal governments</strong></td>
<td>096231001</td>
<td>246.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.14, line 23, Corporate profits tax liability. Unadjusted flow from SCB, NIPA table 9.5, line 3, Corporate profits tax liability. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td><strong>12d. Accruals of corporate profit taxes owed to state and local governments</strong></td>
<td>206231001</td>
<td>36.0</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 6, Corporate profits tax accruals. Unadjusted flow from SCB, NIPA table 9.4, line 3, Corporate profits tax accruals. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td><strong>12e. Net interest paid by the federal government</strong></td>
<td>316132001</td>
<td>231.2</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 20, Net interest paid. Unadjusted flow from SCB, NIPA table 9.3, line 12, Net interest paid. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td><strong>12f. Transfer payments made by the federal government, net</strong></td>
<td>316401001</td>
<td>791.9</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 16, Transfer payments (net). Unadjusted flow from SCB, NIPA table 9.3, line 8, Transfer payments (net). For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
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</table>
### F.8 Gross Saving and Investment—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
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<tbody>
<tr>
<td>12g. Subsidies less current surplus of federal government enterprises</td>
<td>316402001</td>
<td>32.5</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 25, Subsidies less current surplus of government enterprises. Unadjusted flow from SCB, NIPA table 9.3, line 17, Subsidies less current surplus of government enterprises. For recent quarters where unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<tr>
<td>12h. Grants-in-aid to state and local governments from the federal government</td>
<td>206403001</td>
<td>225.0</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 19, Grants-in-aid to state and local governments; also shown in NIPA table 3.3, line 12, Federal grants-in-aid. Unadjusted flow from SCB, NIPA table 9.3, line 11, Grants-in-aid to state and local governments; also shown in NIPA table 9.4, line 6, Federal grants-in-aid. For recent quarters where unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<tr>
<td>12i. Consumption expenditures of the federal government</td>
<td>316901001</td>
<td>460.4</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 15, Consumption expenditures. Unadjusted flow from SCB, NIPA table 9.3, line 7, Consumption expenditures. For recent quarters where unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<tr>
<td>12j. Wage accruals less disbursements by the federal government</td>
<td>316700001</td>
<td>.0</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 28, Wage accruals less disbursements. Unadjusted flow from SCB, NIPA table 9.3, line 20, Wage accruals less disbursements. For recent quarters where unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<tr>
<td>13. Gross saving of state and local governments, NIPA basis</td>
<td>206006005</td>
<td>215.2</td>
<td>Sum of lines 14 and 15.</td>
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### F.8—Continued

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<th>Explanation</th>
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<tr>
<td>14. Consumption of fixed capital by state and local governments</td>
<td>206300001</td>
<td>81.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 5.1, line 16, Consumption of fixed capital. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>15. Current surplus (or deficit) of state and local governments, NIPA basis</td>
<td>206061105</td>
<td>134.1</td>
<td>Current receipts of state and local governments (sum of lines 3b, 12d, 12h, 15a, and 15b) less current expenditures of state and local governments (sum of lines 15c, 15d, 15e, and 15f, net of lines 15g and 15h).</td>
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<tr>
<td>15a. Indirect business tax and nontax accruals owed to state and local governments</td>
<td>206240001</td>
<td>533.4</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 7, Indirect business tax and nontax accruals. Unadjusted flow from SCB, NIPA table 9.4, line 4, Indirect business tax and nontax accruals. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<tr>
<td>15b. Social insurance receipts of state and local governments</td>
<td>206601001</td>
<td>79.9</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 11, Contributions for social insurance. Unadjusted flow from SCB, NIPA table 9.4, line 5, Contributions for social insurance. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<tr>
<td>15c. Consumption expenditures of state and local governments</td>
<td>206901001</td>
<td>758.8</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 14, Consumption expenditures. Unadjusted flow from SCB, NIPA table 9.4, line 8, Consumption expenditures. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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### F.8 Gross Saving and Investment—Continued

<table>
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<tr>
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<tr>
<td>15d. Net interest paid by state and local governments</td>
<td>206130001</td>
<td>-77.4</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 16, Net interest paid. Unadjusted flow from SCB, NIPA table 9.4, line 10, Net interest paid. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<td>15e. Transfer payments to persons made by state and local governments</td>
<td>206401001</td>
<td>304.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 15, Transfer payments to persons. Unadjusted flow from SCB, NIPA table 9.4, line 9, Transfer payments to persons. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<tr>
<td>15f. Subsidies less current surplus of state and local government enterprises</td>
<td>206402001</td>
<td>-10.5</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 20, Subsidies less current surplus of government enterprises. Unadjusted flow from SCB, NIPA table 9.4, line 14, Subsidies less current surplus of government enterprises. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<tr>
<td>15g. Wage accruals less disbursements by state and local governments</td>
<td>206700001</td>
<td>.0</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 23, Wage accruals less disbursements. Unadjusted flow from SCB, NIPA table 9.4, line 17, Wage accruals less disbursements. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<td>Component</td>
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<tr>
<td>15h. Dividends received by state and local governments</td>
<td>206120001</td>
<td>14.8</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 19, Dividends received by government. Unadjusted flow from SCB, NIPA table 9.4, line 13, Dividends received by government. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<tr>
<td>16. Net capital grants received by the U.S. from the rest of the world</td>
<td>313011301</td>
<td>.0</td>
<td>Seasonally adjusted flow from SCB, NIPA table 4.1, line 8, Capital grants received by the U.S. (net). Unadjusted flow from SCB, NIPA table 9.5, line 6, Capital grants received by the U.S. (net). For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<tr>
<td>17. Gross investment</td>
<td>085090005</td>
<td>1,350.5</td>
<td>Sum of lines 18, 23, and 24.</td>
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<tr>
<td>18. Gross private domestic investment</td>
<td>085050005</td>
<td>1,256.0</td>
<td>Sum of lines 19 and 22.</td>
</tr>
<tr>
<td>19. Private fixed investment</td>
<td>895019005</td>
<td>1,188.6</td>
<td>Sum of lines 20 and 21.</td>
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<tr>
<td>20. Fixed nonresidential investment by private domestic sectors</td>
<td>895013001</td>
<td>860.7</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.1, line 8, Fixed nonresidential investment. Unadjusted flow from SCB, NIPA table 9.1, line 8, Fixed nonresidential investment. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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</table>
## F.8 Gross Saving and Investment—Continued

<table>
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<tr>
<td>21. Fixed residential investment by private sectors</td>
<td>195012001</td>
<td>327.9</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.1, line 11, Private fixed residential investment; also shown in NIPA table 5.4, line 15, Residential. Unadjusted flow from SCB, NIPA table 9.1, line 11, Residential. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>22. Change in inventories of nonfinancial business</td>
<td>145020005</td>
<td>67.4</td>
<td>Sum of lines 22a and 22b.</td>
</tr>
<tr>
<td>22a. Change in inventories of nonfarm nonfinancial business</td>
<td>125020001</td>
<td>63.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 5.10, line 3, Change in nonfarm business inventories. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>22b. Change in inventories of farm business</td>
<td>135020001</td>
<td>4.3</td>
<td>Seasonally adjusted flow from SCB, NIPA table 5.10, line 2, Change in farm business inventories. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>23. Fixed investment by government</td>
<td>365019005</td>
<td>235.4</td>
<td>Sum of lines 23a and 23b.</td>
</tr>
<tr>
<td>23a. Fixed investment by state and local governments</td>
<td>205019001</td>
<td>175.6</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.7, line 35, Gross investment by state and local governments. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>23b. Fixed investment by the federal government</td>
<td>315019001</td>
<td>59.8</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.7, sum of line 11, Federal government national defense gross investment, and line 24, Federal government nondefense gross investment. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>24. Net foreign investment in the U.S.</td>
<td>885005005</td>
<td>−140.9</td>
<td>Sum of lines 16, 24a net of 24b, and 24c net of 24d, less line 24e.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
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<tr>
<td>24a. U.S. exports of goods and services to the rest of the world</td>
<td>266902001</td>
<td>965.4</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.1, line 14, Exports. Unadjusted flow from SCB, NIPA table 9.1, line 14, Exports. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<tr>
<td>24b. U.S. imports of goods and services from the rest of the world</td>
<td>266903001</td>
<td>1,058.8</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.1, line 17, Imports. Unadjusted flow from SCB, NIPA table 9.1, line 17, Imports. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<tr>
<td>24c. U.S. receipts of factor income from the rest of the world</td>
<td>266902101</td>
<td>265.5</td>
<td>Seasonally adjusted flow from SCB, NIPA table 4.1, line 7, Receipts of factor income. Unadjusted flow from SCB, NIPA table 9.5, line 5, Receipts of factor income. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<td>24d. U.S. payments of factor income to the rest of the world</td>
<td>266903101</td>
<td>273.5</td>
<td>Seasonally adjusted flow from SCB, NIPA table 4.1, line 15, Payments of factor income. Unadjusted flow from SCB, NIPA table 9.5, line 11, Payments of factor income. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<tr>
<td>24e. Net transfer payments from the U.S. to the rest of the world</td>
<td>266400001</td>
<td>39.5</td>
<td>Seasonally adjusted flow from SCB, NIPA table 4.1, line 16, Transfer payments (net). Unadjusted flow from SCB, NIPA table 9.5, line 12, Transfer payments (net). For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
</tbody>
</table>

25. NIPA statistical discrepancy | 087005005 | −55.8                            | Line 17 less line 1.                                                                                                                                                                                    |
Table F.9  Derivation of Measures of Personal Saving

Saving by the personal sector is saving by the households and nonprofit organizations sector consolidated with the nonfarm noncorporate business sector and the farm business sector. Nonfarm noncorporate business and noncorporate farm business are considered to be activity subaccounts of households, and the income earned from the activities of these unincorporated businesses is a component of personal income in the national income and product accounts (NIPA).

Saving for any sector is the amount not spent out of current income. In the NIPA, saving is defined as a sector’s current income less its current expenditures; for the personal sector in the NIPA, saving is equal to disposable personal income (income net of taxes) less personal outlays. At the same time, saving for any sector is equal to the sector’s investment (except for a discrepancy that arises from measurement, reporting, and timing differences among sources of information). Economic agents that make up a sector use their saving, by increasing their holdings of tangible and financial assets or decreasing their liabilities. The flow of funds accounts take advantage of the equality of saving and investment and calculate saving for the personal sector by adding the sector’s net financial investment (its net acquisition of financial assets less its net increase in liabilities) and its net investment in tangible assets (gross investment less consumption of fixed capital, or depreciation). (Both the NIPA measure of personal saving and the flow of funds measure are net saving, reflecting the subtraction of consumption of fixed capital: In the NIPA, consumption of fixed capital is deducted as an expense when the components of personal income are calculated; in the flow of funds accounts, consumption of fixed capital is deducted from the purchase of tangible assets. Because capital gains and losses on existing assets do not result from current investment, they are not reflected in either the flow of funds or the NIPA measure of personal saving.)

This table presents three alternative measures of personal saving—the NIPA measure, shown in line 47, and two versions of the flow of funds measure. The broader flow of funds series (“personal saving, flow of funds accounts measure”), shown in line 42, reflects investment in all types of financial and tangible assets. The other, narrower flow of funds series (“personal saving, NIPA concept calculated with flow of funds accounts data”), which is conceptually identical to the NIPA series, is obtained by subtracting from the broader measure three items that are excluded from the NIPA: line 43, net flows of government insurance and pension fund reserves; line 44, net investment in consumer durables; and line 45, net saving by farm corporations. The difference between this narrower measure, shown in line 46, and the NIPA series in line 47 is equal to the discrepancy, with sign reversed, for the households and nonprofit organizations sector (table F.100). Each of these figures—the three saving measures and the difference shown in line 48—is shown, at the bottom of the table, as a percentage of disposable personal income.
<table>
<thead>
<tr>
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<tbody>
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<td>1</td>
<td>FA174090005 Net acquisition of financial assets</td>
<td>482.7</td>
<td>446.3</td>
<td>503.2</td>
<td>488.4</td>
<td>446.1</td>
<td>413.5</td>
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<tr>
<td>2</td>
<td>FA153091003 Foreign deposits</td>
<td>1.2</td>
<td>-1.1</td>
<td>3.1</td>
<td>4.6</td>
<td>12.4</td>
<td>6.3</td>
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<tr>
<td>3</td>
<td>FA173020005 Checkable deposits and currency</td>
<td>103.7</td>
<td>56.5</td>
<td>-24.3</td>
<td>-53.1</td>
<td>-61.3</td>
<td>-24.2</td>
</tr>
<tr>
<td>4</td>
<td>FA173030005 Time and savings deposits</td>
<td>-76.9</td>
<td>-106.6</td>
<td>-3.7</td>
<td>137.8</td>
<td>174.7</td>
<td>175.8</td>
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<td>5</td>
<td>FA173040005 Money market fund shares</td>
<td>-40.9</td>
<td>-0.3</td>
<td>13.5</td>
<td>98.8</td>
<td>80.4</td>
<td>109.4</td>
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<td>6</td>
<td>FA174021705 Securities</td>
<td>230.0</td>
<td>158.8</td>
<td>196.4</td>
<td>-106.2</td>
<td>-109.3</td>
<td>-388.3</td>
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<tr>
<td>7</td>
<td>FA163069103 Open market paper</td>
<td>-3.3</td>
<td>15.6</td>
<td>1.2</td>
<td>1.3</td>
<td>4.0</td>
<td>7.0</td>
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<td>8</td>
<td>FA331361400 U.S. savings bonds</td>
<td>19.1</td>
<td>14.7</td>
<td>8.0</td>
<td>5.1</td>
<td>2.0</td>
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<td>9</td>
<td>FA173061105 Other Treasury securities</td>
<td>57.9</td>
<td>8.6</td>
<td>148.9</td>
<td>-52.8</td>
<td>-73.8</td>
<td>-207.7</td>
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<td>10</td>
<td>FA153061705 Agency securities</td>
<td>34.1</td>
<td>-35.3</td>
<td>138.7</td>
<td>19.0</td>
<td>81.2</td>
<td>28.3</td>
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<td>11</td>
<td>FA153062005 Municipal securities</td>
<td>-27.3</td>
<td>-31.3</td>
<td>-50.2</td>
<td>-42.8</td>
<td>-24.3</td>
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<td>12</td>
<td>FA153063005 Corporate and foreign bonds</td>
<td>-7.9</td>
<td>37.1</td>
<td>39.9</td>
<td>67.1</td>
<td>4.8</td>
<td>27.5</td>
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<tr>
<td>13</td>
<td>FA153064105 Corporate equities (2)</td>
<td>23.6</td>
<td>-55.6</td>
<td>-157.5</td>
<td>-197.5</td>
<td>-278.0</td>
<td>-490.2</td>
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<tr>
<td>14</td>
<td>FA153064205 Mutual fund shares</td>
<td>133.9</td>
<td>205.1</td>
<td>67.4</td>
<td>94.5</td>
<td>174.8</td>
<td>222.9</td>
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<td>15</td>
<td>FA543140003 Private life insurance reserves</td>
<td>27.7</td>
<td>35.7</td>
<td>34.3</td>
<td>44.8</td>
<td>43.8</td>
<td>52.6</td>
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<td>FA543150005 Private insured pension reserves</td>
<td>68.9</td>
<td>73.9</td>
<td>81.0</td>
<td>65.1</td>
<td>44.4</td>
<td>99.5</td>
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<td>17</td>
<td>FA573150005 Private uninsured pension reserves</td>
<td>77.1</td>
<td>98.4</td>
<td>78.8</td>
<td>96.0</td>
<td>84.6</td>
<td>86.4</td>
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<tr>
<td>18</td>
<td>FA563150005 Govt. insurance and pension reserves</td>
<td>84.5</td>
<td>83.7</td>
<td>86.6</td>
<td>72.2</td>
<td>101.5</td>
<td>111.2</td>
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<tr>
<td>19</td>
<td>FA604190005 Investment in bank personal trusts</td>
<td>-7.1</td>
<td>0.9</td>
<td>17.8</td>
<td>4.0</td>
<td>-8.6</td>
<td>75.0</td>
</tr>
<tr>
<td>20</td>
<td>FA173099005 Miscellaneous assets</td>
<td>14.5</td>
<td>46.4</td>
<td>19.8</td>
<td>83.4</td>
<td>83.4</td>
<td>109.8</td>
</tr>
<tr>
<td>21</td>
<td>FA175050005 Gross investment in tangible assets</td>
<td>827.5</td>
<td>891.6</td>
<td>986.7</td>
<td>1017.5</td>
<td>1086.8</td>
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**Table F9**

Derivation of Measures of Personal Saving (1)

Billions of dollars
F.9 Derivation of Measures of Personal Saving (1)—Continued

Billions of dollars

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<td>FA176006005 Personal saving (FOF measure) (5)</td>
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<td>86.6</td>
<td>72.2</td>
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<td>123.3</td>
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<td>FA136006305 Net saving by farm corporations</td>
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<td>46</td>
<td>FA176007005 Personal saving (NIPA concept, FOF data)</td>
<td>362.7</td>
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<td>FA176007905 Difference (6)</td>
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<td>49</td>
<td>FA156012005 Disposable personal income</td>
<td>4605.1</td>
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Personal saving as a percentage of disposable personal income:

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<td>50</td>
<td>*/ FA156012005 FOF measure (line 42)</td>
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<td>8.2</td>
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<td>51</td>
<td>*/ FA156012005 NIPA concept, FOF data (line 46)</td>
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<td>2.4</td>
<td>0.8</td>
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(1) Consolidated statement for household sector, nonfarm noncorporate business, and farm business.
(2) Only directly held and those in closed-end funds. Other equities are included in mutual funds (line 14), life insurance and pension reserves (lines 15, 16, 17, and 18), and bank personal trusts (line 19).
(3) Includes corporate farms.
(4) Line 21 less line 26.
(5) Line 1 plus line 30 less line 35.
(6) Household sector discrepancy with sign reversed.
Table F9  Derivation of Measures of Personal Saving

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
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<tbody>
<tr>
<td>1. Net acquisition of financial assets by the personal sector</td>
<td>174090005</td>
<td>413.5</td>
<td>Sum of lines 2, 3, 4, 5, 6, 15 through 19, and 20.</td>
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<tr>
<td>2. Change in foreign deposits held by the households and nonprofit organizations sector</td>
<td>153091003</td>
<td>6.3</td>
<td>Table F.100, line 17.</td>
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<tr>
<td>3. Change in checkable deposits and currency held by the personal sector</td>
<td>173020005</td>
<td>-24.2</td>
<td>Sum of lines 3a, 3b, and 3c.</td>
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<tr>
<td>3a. Change in checkable deposits and currency held by the households and nonprofit organizations sector</td>
<td>153020005</td>
<td>-29.5</td>
<td>Table F.100, line 18.</td>
</tr>
<tr>
<td>3b. Change in checkable deposits and currency held by nonfarm noncorporate business</td>
<td>113020003</td>
<td>5.2</td>
<td>Table F.103, line 9.</td>
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<tr>
<td>3c. Change in checkable deposits and currency held by farm business</td>
<td>133020003</td>
<td>*</td>
<td>Table F.104, line 13.</td>
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<td>4. Change in time and savings deposits held by the personal sector</td>
<td>173030005</td>
<td>175.8</td>
<td>Sum of lines 4a and 4b.</td>
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<td>4a. Change in time and savings deposits held by the households and nonprofit organizations sector</td>
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<td>169.5</td>
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<td>4b. Change in time and savings deposits held by nonfarm noncorporate business</td>
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<td>6.3</td>
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<tr>
<td>5. Change in money market mutual fund shares held by the personal sector</td>
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<td>109.4</td>
<td>Sum of lines 5a and 5b.</td>
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<td>5a. Change in money market mutual fund shares held by the households and nonprofit organizations sector</td>
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<td>5b. Change in money market mutual fund shares held by nonfarm noncorporate business</td>
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### F.9 Derivation of Measures of Personal Saving—Continued

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<td>6. Change in securities held by the personal sector</td>
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<td>7. Change in open market paper held by nonprofit organizations (households and nonprofit organizations sector)</td>
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<td>8. Change in savings bond liabilities of the federal government (assets of the households and nonprofit organizations sector)</td>
<td>313161400</td>
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<td>9. Change in U.S. Treasury securities, other than savings bonds, held by the personal sector</td>
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<td>9a. Change in U.S. Treasury securities, other than U.S. savings bonds, held by the households and nonprofit organizations sector</td>
<td>153061105</td>
<td>-209.2</td>
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<td>9b. Change in U.S. Treasury securities held by nonfarm noncorporate business</td>
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<td>10. Change in U.S. government agency securities held by the households and nonprofit organizations sector</td>
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<td>11. Change in municipal securities held by the households and nonprofit organizations sector</td>
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<td>12. Change in corporate and foreign bonds held by the households and nonprofit organizations sector</td>
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<td>27.5</td>
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<td>13. Net purchases of corporate equities by the households and nonprofit organizations sector</td>
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<td>-490.2</td>
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<td>14. Net purchases of mutual fund shares by the households and nonprofit organizations sector</td>
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<td>222.9</td>
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<td>15. Change in life insurance reserve liabilities of life insurance companies (households and nonprofit organizations sector asset)</td>
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<td>52.6</td>
<td>Table F.117, line 20.</td>
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<td>16. Change in pension fund reserve liabilities of life insurance companies (households and nonprofit organizations sector asset)</td>
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<td>17. Change in pension fund reserve liabilities of private pension funds (households and nonprofit organizations sector asset)</td>
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<td>18. Change in liabilities of state and local and federal governments for insurance and pension fund reserves (households and nonprofit organizations sector asset)</td>
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<td>111.2</td>
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<td>19. Change in investments of the households and nonprofit organizations sector in bank personal trusts and estates</td>
<td>604190005</td>
<td>75.0</td>
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<td>20. Change in miscellaneous financial assets of the personal sector</td>
<td>173099005</td>
<td>109.8</td>
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<td>20a. Change in mortgages held by the households and nonprofit organizations sector</td>
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<td>-2.9</td>
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<td>20b. Change in security credit held by the households and nonprofit organizations sector</td>
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<td>20c. Change in total miscellaneous assets of the households and nonprofit organizations sector</td>
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<td>20d. Change in mortgages held by nonfarm noncorporate business</td>
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### F.9 Derivation of Measures of Personal Saving—Continued

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<td>20e. Change in consumer credit held by nonfarm noncorporate business</td>
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<td>20f. Change in trade receivables held by nonfarm noncorporate business</td>
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<td>20g. Change in total miscellaneous assets of nonfarm noncorporate business</td>
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<td>20h. Change in total miscellaneous assets of farm business</td>
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<td>20i. Proprietors’ net investment in noncorporate security brokers and dealers</td>
<td>663180005</td>
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<td>21. Gross investment in tangible assets by the personal sector</td>
<td>175050005</td>
<td>1,142.4</td>
<td>Sum of lines 22, 23, 24, and 25.</td>
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<td>22. Fixed residential investment by the households and nonprofit organizations sector</td>
<td>155012005</td>
<td>282.4</td>
<td>Table F.100, line 12.</td>
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<tr>
<td>23. Investment in fixed assets, other than residential structures owned by the households and nonprofit organizations sector, by the personal sector</td>
<td>175013005</td>
<td>179.5</td>
<td>Sum of lines 23a, 23b, 23c, and 23d. Includes data for corporate farms.</td>
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<td>23a. Fixed nonresidential investment by nonprofit organizations (households and nonprofit organizations sector)</td>
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<td>23b. Fixed nonresidential investment by nonfarm noncorporate business</td>
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<td>23c. Fixed residential investment by nonfarm noncorporate business</td>
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<td>Table F.6, line 16.</td>
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<td>23d. Fixed nonresidential investment by farm business</td>
<td>135013003</td>
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<td>Table F.6, line 11.</td>
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<td>24. Investment in consumer durable goods by households (households and nonprofit organizations sector)</td>
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<td><strong>25. Change in inventories of the personal sector</strong></td>
<td>175020005</td>
<td>7.5</td>
<td>Sum of lines 25a and 25b. Includes data for corporate farms.</td>
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<td>25a. Change in inventories of nonfarm noncorporate business</td>
<td>115020003</td>
<td>3.2</td>
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<td>25b. Change in inventories of farm business</td>
<td>135020001</td>
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<td>Table F.104, line 10.</td>
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<td><strong>26. Consumption of fixed capital by the personal sector</strong></td>
<td>176300005</td>
<td>707.1</td>
<td>Sum of lines 27, 28, and 29.</td>
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<td><strong>27. Consumption of fixed residential capital by the households and nonprofit organizations sector, with residential structures valued at current cost</strong></td>
<td>156300205</td>
<td>98.7</td>
<td>Table F.100, line 52.</td>
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<tr>
<td><strong>28. Consumption of other fixed residential and nonresidential capital by the personal sector, with structures and equipment valued at current cost</strong></td>
<td>176330005</td>
<td>104.6</td>
<td>Sum of lines 28a, 28b, and 28c. Includes data for corporate farms.</td>
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<tr>
<td>28a. Consumption of fixed nonresidential capital by nonprofit organizations (households and nonprofit organizations sector), with nonresidential structures and equipment valued at current cost</td>
<td>166330003</td>
<td>25.1</td>
<td>Table F.100, line 8a.</td>
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<tr>
<td>28b. Consumption of fixed capital by nonfarm noncorporate business</td>
<td>116300005</td>
<td>56.2</td>
<td>Table F.103, line 2.</td>
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<tr>
<td>28c. Consumption of fixed capital by farm business, excluding consumption of fixed owner-occupied farm residential capital</td>
<td>136300005</td>
<td>23.3</td>
<td>Table F.104, line 3.</td>
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<td><strong>29. Consumption of fixed consumer durable goods capital by households (households and nonprofit organizations sector), with consumer durable goods valued at current cost</strong></td>
<td>156300103</td>
<td>503.8</td>
<td>Table F.100, line 57.</td>
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### F.9 Derivation of Measures of Personal Saving—Continued

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<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>30. Net investment in tangible assets by the personal sector</td>
<td>175005005</td>
<td>435.3</td>
<td>Sum of lines 31, 32, 33, and 34; also equal to line 21 less line 26.</td>
</tr>
<tr>
<td>31. Net investment in residential structures by the households and nonprofit organizations sector</td>
<td>155012065</td>
<td>183.7</td>
<td>Line 22 less line 27.</td>
</tr>
<tr>
<td>32. Net investment in fixed assets, other than residential structures owned by the households and nonprofit organizations sector, by the personal sector</td>
<td>175005205</td>
<td>74.9</td>
<td>Line 23 less line 28. Includes data for corporate farms.</td>
</tr>
<tr>
<td>33. Net investment in consumer durable goods by households (households and nonprofit organizations sector)</td>
<td>155011065</td>
<td>169.2</td>
<td>Line 24 less line 29.</td>
</tr>
<tr>
<td>34. Change in inventories of the personal sector</td>
<td>175020005</td>
<td>7.5</td>
<td>Same as line 25.</td>
</tr>
<tr>
<td>35. Net increase in liabilities of the personal sector</td>
<td>174190005</td>
<td>482.4</td>
<td>Sum of lines 36, 37, 38, 39, 40, and 41.</td>
</tr>
<tr>
<td>36. Change in mortgage debt on nonfarm homes owed by the personal sector</td>
<td>173165105</td>
<td>267.3</td>
<td>Sum of lines 36a and 36b.</td>
</tr>
<tr>
<td>36a. Change in home mortgage debt of the households and nonprofit organizations sector</td>
<td>153165105</td>
<td>261.9</td>
<td>Table F.100, line 41.</td>
</tr>
<tr>
<td>36b. Change in home mortgage debt of nonfarm noncorporate business</td>
<td>113165105</td>
<td>5.4</td>
<td>Table F.218, line 4.</td>
</tr>
<tr>
<td>37. Change in mortgage debt, other than home mortgage debt, of the personal sector</td>
<td>173165205</td>
<td>39.7</td>
<td>Sum of lines 37a, 37b, 37c, and 37d. Includes data for corporate farms.</td>
</tr>
<tr>
<td>37a. Change in commercial mortgage debt of nonprofit organizations (households and nonprofit organizations sector)</td>
<td>153165505</td>
<td>4.3</td>
<td>Table F.100, line 46.</td>
</tr>
<tr>
<td>37b. Change in multifamily residential mortgage debt of nonfarm noncorporate business</td>
<td>113165405</td>
<td>10.5</td>
<td>Table F.219, line 3.</td>
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### Table F9—Continued

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<th>1997 value (billions of dollars)</th>
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<tr>
<td>37c. Change in commercial mortgage debt of nonfarm noncorporate business</td>
<td>113165505</td>
<td>21.6</td>
<td>Table F.220, line 4.</td>
</tr>
<tr>
<td>37d. Change in farm mortgages (liabilities of farm business)</td>
<td>893065603</td>
<td>3.3</td>
<td>Table F.104, line 21.</td>
</tr>
<tr>
<td>38. Change in consumer credit liabilities of households</td>
<td>153166000</td>
<td>52.5</td>
<td>Table F.100, line 42.</td>
</tr>
<tr>
<td>39. Change in loans on life insurance policies to the households and</td>
<td>153169405</td>
<td>3.2</td>
<td>Table F.216, line 18.</td>
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<tr>
<td>non-profit organizations sector</td>
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<tr>
<td>40. Change in security credit owed by the households and non-profit</td>
<td>153167205</td>
<td>36.8</td>
<td>Table F.100, line 47.</td>
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<td>organizations sector</td>
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<tr>
<td>41. Change in other liabilities of the personal sector</td>
<td>173199005</td>
<td>82.9</td>
<td>Sum of lines 41a through 41l, plus line 41m net</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>of line 39. Includes data for corporate farms.</td>
</tr>
<tr>
<td>41a. Change in outstanding municipal debt of nonprofit organizations</td>
<td>153162005</td>
<td>10.0</td>
<td>Table F.100, line 43.</td>
</tr>
<tr>
<td>(households and non-profit organizations sector)</td>
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<td></td>
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</tr>
<tr>
<td>41b. Change in outstanding bank loans, not elsewhere classified,</td>
<td>153168005</td>
<td>8.9</td>
<td>Table F.100, line 44.</td>
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<td>to the households and non-profit organizations sector</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>41c. Change in trade payables owed by nonprofit organizations</td>
<td>153170003</td>
<td>7.9</td>
<td>Table F.100, line 48.</td>
</tr>
<tr>
<td>(households and non-profit organizations sector)</td>
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</tr>
<tr>
<td>41d. Change in deferred and unpaid life insurance premiums owed to</td>
<td>543077003</td>
<td>-4.8</td>
<td>Table F.100, line 49.</td>
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<tr>
<td>life insurance companies by the households and non-profit organizations</td>
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<td>section</td>
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<tr>
<td>41e. Change in outstanding bank loans, not elsewhere classified,</td>
<td>113168003</td>
<td>21.7</td>
<td>Table F.103, line 22.</td>
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<tr>
<td>to nonfarm noncorporate business</td>
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<td></td>
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<tr>
<td>41f. Change in outstanding other loans and advances to nonfarm noncorporate</td>
<td>113169005</td>
<td>4.2</td>
<td>Table F.103, line 23.</td>
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<td>business</td>
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### F.9 Derivation of Measures of Personal Saving—Continued

<table>
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<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tbody>
<tr>
<td>41g. Change in trade payables owed by nonfarm noncorporate business</td>
<td>113170003</td>
<td>7.7</td>
<td>Table F.103, line 25.</td>
</tr>
<tr>
<td>41h. Change in taxes payable by nonfarm noncorporate business</td>
<td>113178203</td>
<td>1.3</td>
<td>Table F.103, line 26.</td>
</tr>
<tr>
<td>41i. Change in total miscellaneous liabilities of nonfarm noncorporate business</td>
<td>113190005</td>
<td>6.8</td>
<td>Table F.103, line 27.</td>
</tr>
<tr>
<td>41j. Change in outstanding bank loans, not elsewhere classified, to farm business</td>
<td>133168000</td>
<td>3.5</td>
<td>Table F.104, line 19.</td>
</tr>
<tr>
<td>41k. Change in outstanding other loans and advances to farm business</td>
<td>133169005</td>
<td>—.5</td>
<td>Table F.104, line 20.</td>
</tr>
<tr>
<td>41l. Change in trade payables owed by farm business</td>
<td>133170000</td>
<td>1.4</td>
<td>Table F.104, line 22.</td>
</tr>
<tr>
<td>41m. Change in outstanding other loans and advances to the households and nonprofit organizations sector</td>
<td>153169005</td>
<td>18.1</td>
<td>Table F.100, line 45.</td>
</tr>
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</table>

42. Personal saving, FOF accounts measure | 176006005 | 366.3 | Sum of lines 1 and 30, less line 35. |

43. Change in liabilities of state and local and federal governments for insurance and pension fund reserves | 363154005 | 111.2 | Same as line 18. |

44. Net investment in consumer durable goods by households (households and nonprofit organizations sector) | 155011065 | 169.2 | Same as line 33. |

45. Net saving of corporate farms | 136006305 | —.7 | Table F.104, line 2. |

46. Personal saving, NIPA concept calculated with FOF accounts data | 176007005 | 86.6 | Line 42 less lines 43, 44, and 45. |

47. Personal saving, NIPA measure | 156007105 | 121.1 | Table F.100, line 5. |
<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>48. Difference between personal saving, NIPA concept calculated with FOF accounts data, and personal saving, NIPA measure</td>
<td>176007905</td>
<td>-34.5</td>
<td>Line 46 less line 47. Equal to the discrepancy for the households and nonprofit organizations sector (table F.100, line 50) with sign reversed.</td>
</tr>
<tr>
<td>49. Memorandum item: Disposable personal income</td>
<td>156012005</td>
<td>5,795.2</td>
<td>Table F.100, line 3.</td>
</tr>
<tr>
<td>50. Personal saving (FOF accounts measure) as a percentage of disposable personal income</td>
<td>Percentage</td>
<td>6.3%</td>
<td>Line 42 divided by line 49, multiplied by 100.</td>
</tr>
<tr>
<td>51. Personal saving (NIPA concept calculated with FOF accounts data) as a percentage of disposable personal income</td>
<td>Percentage</td>
<td>1.5%</td>
<td>Line 46 divided by line 49, multiplied by 100.</td>
</tr>
<tr>
<td>52. Personal saving (NIPA measure) as a percentage of disposable personal income</td>
<td>Percentage</td>
<td>2.1%</td>
<td>Line 47 divided by line 49, multiplied by 100.</td>
</tr>
<tr>
<td>53. Difference between personal saving, NIPA concept calculated with FOF accounts data, and personal saving, NIPA measure, as a percentage of disposable personal income</td>
<td>Percentage</td>
<td>-.6%</td>
<td>Line 48 divided by line 49, multiplied by 100.</td>
</tr>
</tbody>
</table>
Table F.10  Sector Discrepancies

A sector discrepancy is the difference between the gross saving of a particular sector and its gross investment. It is also equal to the difference between the sector’s total sources of funds (nonfinancial sources, or saving out of income, plus borrowing of funds from external sources) and its total uses of funds (acquisition of physical and financial assets); as a balancing item, a discrepancy is considered a use of funds. A discrepancy may arise from differences in the timing or reporting of data obtained from different sources, measurement errors, or other inconsistencies. It is often viewed as an indicator of the quality or completeness of the data in the sector flow statement, with a smaller discrepancy relative to total sources or uses considered preferable to a larger one; nevertheless, the existence of discrepancies is generally seen as inevitable in the preparation of aggregate economic data. Examination of preliminary values for discrepancies is useful to analysts who prepare estimates of time series for the flow of funds accounts because the discrepancies can highlight inconsistencies among estimates for asset and liability series.

For some sectors in the flow of funds accounts, such as the farm business sector, no discrepancy is shown; for these sectors, one asset or liability flow item is calculated as a residual so as to balance total sources and uses of funds. This table presents the discrepancies for all sectors in the accounts for which a discrepancy is shown. The total of sector discrepancies equals the total of instrument discrepancies, shown in table F.11.

| 1  | FA897005005 | All sectors | -40.0 | -174.1 | -58.2 | -156.6 | -14.7 | -30.7 | 1 |
| 2  | FA157005005 | Household sector | -98.6 | -61.2 | -119.1 | -44.3 | 25.6 | 34.5 | 2 |
| 3  | FA107005005 | Nonfinancial corporate business | 64.7 | -84.2 | -5.0 | -5.9 | 1.2 | -3.2 | 3 |
| 4  | FA217005005 | State and local governments | -28.9 | -18.6 | -18.3 | -41.1 | -38.2 | -17.6 | 4 |
| 5  | FA317005005 | Federal government | 32.4 | 10.7 | 36.3 | -11.4 | 42.3 | 20.5 | 5 |
| 6  | FA267005005 | Rest of the world | -49.6 | -6.6 | -13.4 | -37.4 | -75.4 | -114.0 | 6 |
| 7  | FA797005005 | Financial sectors | 39.9 | -14.2 | 61.3 | -16.6 | 29.8 | 49.1 | 7 |
| 8  | FA717005005 | Monetary authority | 0.3 | -0.5 | -3.1 | -1.7 | 1.0 | 1.8 | 8 |
| 9  | FA767005005 | Commercial banking | 24.0 | 24.5 | 43.2 | -9.9 | 12.3 | 68.9 | 9 |
| 10 | FA447005005 | Savings institutions | 0.3 | -11.3 | -5.0 | -2.2 | -4.7 | -1.6 | 10 |
| 11 | FA477005005 | Credit unions | -0.9 | -1.0 | 0.3 | -0.6 | 0.4 | -0.8 | 11 |
| 12 | FA607005005 | Bank personal trusts and estates | 0.1 | -0.7 | -1.0 | -1.3 | 2.1 | -2.0 | 12 |
| 13 | FA547005005 | Life insurance companies | -7.4 | -3.6 | 3.2 | -30.2 | -33.7 | -43.3 | 13 |
| 14 | FA517005005 | Other insurance companies | 10.8 | -10.6 | -9.8 | -6.5 | 1.1 | -18.0 | 14 |
| 15 | FA657005005 | Mutual funds | 3.0 | 4.3 | -11.5 | 9.0 | 5.7 | 4.9 | 15 |
| 16 | FA407005005 | Government-sponsored enterprises | -1.7 | -1.9 | -2.2 | -1.7 | 0.6 | -3.1 | 16 |
| 17 | FA577005005 | Issuers of asset-backed securities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 17 |
| 18 | FA617005005 | Finance companies | 7.8 | 6.3 | 27.3 | 9.0 | 21.7 | 5.6 | 18 |
| 19 | FA647005005 | REITs | 3.6 | 13.2 | 19.3 | 18.9 | 22.6 | 36.0 | 19 |
| 20 | FA667005005 | Brokers and dealers | 0.1 | -0.2 | 0.7 | 0.7 | 0.8 | 0.7 | 20 |
### Table F.10 Sector Discrepancies

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Sum of sector discrepancies</td>
<td>897005005</td>
<td>-30.7</td>
<td>Sum of lines 2 through 7.</td>
</tr>
<tr>
<td>2. Discrepancy for the households and nonprofit organizations sector, equal to gross saving less gross investment</td>
<td>157005005</td>
<td>34.5</td>
<td>Table F.100, line 50.</td>
</tr>
<tr>
<td>3. Discrepancy for nonfarm nonfinancial corporate business, equal to gross saving less gross investment</td>
<td>107005005</td>
<td>-3.2</td>
<td>Table F.102, line 56.</td>
</tr>
<tr>
<td>4. Discrepancy for state and local governments, excluding employee retirement funds, equal to gross saving less gross investment</td>
<td>217005005</td>
<td>-17.6</td>
<td>Table F.105, line 38.</td>
</tr>
<tr>
<td>5. Discrepancy for the federal government, equal to gross saving less gross investment</td>
<td>317005005</td>
<td>20.5</td>
<td>Table F.106, line 40.</td>
</tr>
<tr>
<td>6. Discrepancy for the rest of the world, equal to net foreign investment in U.S. (NIPA basis; sign reversed) less net financial investment</td>
<td>267005005</td>
<td>-114.0</td>
<td>Table F.107, line 54.</td>
</tr>
<tr>
<td>7. Sum of financial sector discrepancies</td>
<td>797005005</td>
<td>49.1</td>
<td>Sum of lines 8, 9, and 10 through 20.</td>
</tr>
<tr>
<td>8. Discrepancy for the monetary authority, equal to gross saving less gross investment</td>
<td>717005005</td>
<td>1.8</td>
<td>Table F.108, line 27.</td>
</tr>
<tr>
<td>9. Discrepancy for the commercial banking sector, equal to gross saving less gross investment</td>
<td>767005005</td>
<td>68.9</td>
<td>Table F.109, line 42. Also equal to the sum of lines 9a, 9b, 9c, and 9d below.</td>
</tr>
<tr>
<td>9a. Discrepancy for U.S.-chartered commercial banks, equal to gross saving less gross investment</td>
<td>727005005</td>
<td>66.6</td>
<td>Table F.110, line 48.</td>
</tr>
<tr>
<td>9b. Discrepancy for foreign banking offices in the U.S., equal to gross saving less gross investment</td>
<td>757005005</td>
<td>2.6</td>
<td>Table F.111, line 32.</td>
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### F.10 Sector Discrepancies—Continued

<table>
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<tr>
<th>Component</th>
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<th>Explanation</th>
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<tbody>
<tr>
<td>9c. Discrepancy for bank holding companies, equal to gross saving less gross investment</td>
<td>737005005</td>
<td>*</td>
<td>Table F.112, line 26.</td>
</tr>
<tr>
<td>9d. Discrepancy for banks in U.S.-affiliated areas, equal to gross saving less gross investment</td>
<td>747005005</td>
<td>−.4</td>
<td>Table F.113, line 20.</td>
</tr>
<tr>
<td>10. Discrepancy for savings institutions, equal to gross saving less gross investment</td>
<td>447005005</td>
<td>−1.6</td>
<td>Table F.114, line 34.</td>
</tr>
<tr>
<td>11. Discrepancy for credit unions, equal to gross saving less gross investment</td>
<td>477005005</td>
<td>−.8</td>
<td>Table F.115, line 23.</td>
</tr>
<tr>
<td>12. Discrepancy for bank personal trusts and estates, equal to gross saving less gross investment</td>
<td>607005005</td>
<td>−2.0</td>
<td>Table F.116, line 18.</td>
</tr>
<tr>
<td>13. Discrepancy for life insurance companies, equal to gross saving less gross investment</td>
<td>547005005</td>
<td>−43.3</td>
<td>Table F.117, line 24.</td>
</tr>
<tr>
<td>14. Discrepancy for other insurance companies, equal to gross saving less gross investment</td>
<td>517005005</td>
<td>−18.0</td>
<td>Table F.118, line 20.</td>
</tr>
<tr>
<td>15. Discrepancy for mutual funds, equal to gross saving less gross investment</td>
<td>657005005</td>
<td>4.9</td>
<td>Table F.122, line 14.</td>
</tr>
<tr>
<td>16. Discrepancy for government-sponsored enterprises, equal to gross saving less gross investment</td>
<td>407005005</td>
<td>−3.1</td>
<td>Table F.124, line 27.</td>
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<tr>
<td>17. Discrepancy for issuers of asset-backed securities, equal to gross saving less gross investment</td>
<td>677005005</td>
<td>0.0</td>
<td>Table F.126, line 17.</td>
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<tr>
<td>18. Discrepancy for finance companies, equal to gross saving less gross investment</td>
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<td>5.6</td>
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<td>Explanation</td>
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<td>19. Discrepancy for real estate investment trusts, equal to gross saving less gross investment</td>
<td>647005005</td>
<td>36.0</td>
<td>Table F.129, line 19.</td>
</tr>
<tr>
<td>20. Discrepancy for security brokers and dealers, equal to gross saving less gross investment</td>
<td>667005005</td>
<td>.7</td>
<td>Table F.130, line 29.</td>
</tr>
</tbody>
</table>
Table F.11 Instrument Discrepancies

An instrument discrepancy is the difference between the total borrowing of funds by all sectors through a particular financial instrument and the total lending of funds through the same instrument; it is considered a use of funds that balances total borrowing and total lending. A discrepancy may arise from differences in the timing or reporting of data obtained from different sources, measurement errors, or other inconsistencies. Frequently, large quarterly movements in discrepancies cancel out when the data are presented on an annual basis.

A discrepancy is calculated for the following financial instruments that are included in the flow of funds accounts: Treasury currency, foreign deposits, interbank transactions, federal funds and security repurchase agreements, checkable deposits of the federal government, checkable deposits of other sectors, trade credit, taxes payable, and miscellaneous items. No discrepancies exist for the other financial instruments in the accounts, because, for each instrument, the change in the holdings of one of the sectors (for many instruments, the households and nonprofit organizations sector) is calculated as a residual. Also included in this table is the nonfinancial discrepancy, which is made up of three items from the national income and product accounts: the statistical discrepancy, private wage accruals less disbursements, and net capital grants to the U.S. from abroad. The total of instrument discrepancies equals the total of sector discrepancies, shown in table F.10.

<table>
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<tr>
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</tr>
<tr>
<td>All types</td>
<td>-40.0</td>
<td>-174.1</td>
<td>-58.2</td>
<td>-156.6</td>
<td>-14.7</td>
<td>-30.7</td>
</tr>
<tr>
<td>1. Treasury currency</td>
<td>-0.2</td>
<td>-0.2</td>
<td>-0.2</td>
<td>-0.5</td>
<td>-0.9</td>
<td>-0.6</td>
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<tr>
<td>2. Foreign deposits</td>
<td>-2.7</td>
<td>-5.7</td>
<td>43.0</td>
<td>25.1</td>
<td>59.4</td>
<td>107.4</td>
</tr>
<tr>
<td>3. Net interbank transactions</td>
<td>-4.9</td>
<td>4.2</td>
<td>-2.7</td>
<td>-3.1</td>
<td>-3.3</td>
<td>-19.9</td>
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<tr>
<td>4. Security RPs</td>
<td>4.3</td>
<td>46.4</td>
<td>69.4</td>
<td>22.9</td>
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<tr>
<td>Federal government</td>
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<td>-6.0</td>
<td>0.5</td>
<td>-2.7</td>
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<tr>
<td>Other</td>
<td>1.6</td>
<td>-1.3</td>
<td>-2.8</td>
<td>-3.8</td>
<td>-4.0</td>
<td>-3.9</td>
</tr>
<tr>
<td>5. Trade credit</td>
<td>9.9</td>
<td>-4.0</td>
<td>1.5</td>
<td>-11.7</td>
<td>-27.0</td>
<td>15.1</td>
</tr>
<tr>
<td>6. Taxes payable</td>
<td>12.8</td>
<td>15.8</td>
<td>16.6</td>
<td>21.1</td>
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<td>17.2</td>
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<td>7. Miscellaneous</td>
<td>-32.4</td>
<td>-170.8</td>
<td>-150.0</td>
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<td>-82.0</td>
<td>-254.9</td>
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<td>8. Nonfinancial</td>
<td>-29.1</td>
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<td>-28.1</td>
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<td>23.0</td>
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Nonfinancial components (sign reversed):

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<tr>
<td>Statistical discrepancy (NIPA)</td>
<td>44.8</td>
<td>52.6</td>
<td>14.8</td>
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<td>-32.3</td>
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<tr>
<td>Private wage accruals less disbursements</td>
<td>-15.8</td>
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<td>13.3</td>
<td>13.4</td>
<td>9.3</td>
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<td>Net capital grants from foreign</td>
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## F.11 Instrument Discrepancies

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tbody>
<tr>
<td>1. Sum of instrument discrepancies</td>
<td>907005005</td>
<td>-30.7</td>
<td>Sum of lines 2 through 11.</td>
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<tr>
<td>2. Discrepancy between changes in federal government liabilities for Treasury currency and Treasury currency held by the monetary authority, equal to seigniorage</td>
<td>903012005</td>
<td>-6.2</td>
<td>Table F.201, line 5.</td>
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<tr>
<td>3. Discrepancy between changes in foreign liabilities for deposits held abroad by U.S. private sectors and foreign deposit assets of domestic sectors</td>
<td>903091005</td>
<td>107.4</td>
<td>Table F.202, line 5.</td>
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<tr>
<td>4. Discrepancy between changes in interbank liabilities and interbank assets of the commercial banking sector, due to timing and reporting differences and floats</td>
<td>904010005</td>
<td>-19.9</td>
<td>Table F.203, line 45.</td>
</tr>
<tr>
<td>5. Discrepancy between changes in liabilities for, and holdings of, federal funds and loans made under security repurchase agreements, treated as unallocated assets</td>
<td>902050005</td>
<td>59.5</td>
<td>Table F.207, line 23.</td>
</tr>
<tr>
<td>6. Discrepancy between changes in federal government cash and deposits as reported by the monetary authority and the commercial banking sector and as reported by the federal government</td>
<td>903023105</td>
<td>-2.7</td>
<td>Table F.204, sum of lines 3 and 7, less line 19. This series is the change in mail float associated with federal government deposits.</td>
</tr>
<tr>
<td>7. Change in mail float associated with demand deposits other than those of the federal government</td>
<td>903029205</td>
<td>-3.9</td>
<td>Table F.204, line 36, less line 6 above.</td>
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<tr>
<td>8. Discrepancy between changes in trade payables and trade receivables</td>
<td>903070005</td>
<td>15.1</td>
<td>Table F.223, line 17.</td>
</tr>
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<td>9. Discrepancy between changes in business taxes payable and business taxes receivable</td>
<td>903078005</td>
<td>17.2</td>
<td>Table F.226, line 13.</td>
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F.11 Instrument Discrepancies—Continued

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<th>Explanation</th>
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<td>10. Discrepancy between changes in unidentified miscellaneous liabilities of all sectors and unidentified miscellaneous assets of all sectors</td>
<td>903090005</td>
<td>-254.9</td>
<td>Table F.229, line 43.</td>
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<td>11. Sum of NIPA nonfinancial component discrepancies</td>
<td>906000005</td>
<td>52.1</td>
<td>Sum of lines 12, 13, and 14, with sign reversed.</td>
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<td>12. NIPA statistical discrepancy</td>
<td>087005005</td>
<td>-55.8</td>
<td>Table F.8, line 25.</td>
</tr>
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<td>13. Private wage accruals less disbursements</td>
<td>836700003</td>
<td>3.7</td>
<td>Table F.8, line 8.</td>
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<tr>
<td>14. Net capital grants received by the U.S. from the rest of the world</td>
<td>313011301</td>
<td>.0</td>
<td>Table F.8, line 16.</td>
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Table F.100  Households and Nonprofit Organizations

The households and nonprofit organizations sector consists of individual households (including farm households) and nonprofit organizations such as charitable organizations, private foundations, schools, churches, labor unions, and hospitals. Nonprofits account for about 6 percent of the sector's total financial assets, according to recent estimates, but they own a larger share of some of the individual financial instruments held by the sector. (The sector is often referred to as the "household" sector, but nonprofit organizations are included because data for them are not available separately except for the years 1987 through 1996. Supplementary tables F.100.a and L.100.a in the quarterly publications of the flow of funds accounts present the latest available annual data for nonprofits.) At the end of 1997, the sector had total financial assets of more than $27 trillion, about 40 percent of the financial assets of all sectors combined.

For most categories of financial assets and liabilities, the values for the household sector are calculated as residuals. That is, amounts held or owed by the other sectors are subtracted from known totals, and the remainders are assumed to be the amounts held or owed by the household sector. For example, the amounts of Treasury securities held by all other sectors, obtained from asset data reported by the companies or institutions themselves, are subtracted from total Treasury securities outstanding, obtained from the Monthly Treasury Statement of Receipts and Outlays of the United States Government, and the balance is assigned to the household sector. Series calculated in this manner are so identified in the table and carry a reference to the instrument table (for example, table F.209) that lists the sector included in the calculation. For a few series, such as consumer credit, data for the sector are available directly and are not calculated as residuals. When microeconomic data are available (such as the data available from the Federal Reserve Board's Survey of Consumer Finances), asset and liability totals for the sector are reviewed in light of that data, and the flow of funds series are sometimes adjusted to take into account the additional information.

In contrast to the practice in some countries, the household sector statement in the U.S. flow of funds accounts does not include the transactions of unincorporated businesses; those are shown separately in the tables for the nonfarm noncorporate and farm business sectors (tables F.103 and F.104). (The table for the personal sector, F.9, does present such a consolidation of the household sector with unincorporated business.)
<table>
<thead>
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</thead>
<tbody>
<tr>
<td>1. Personal income</td>
<td>5255.7</td>
<td>5481.1</td>
<td>5757.9</td>
<td>6072.0</td>
<td>6425.4</td>
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<tr>
<td>2. Personal taxes and nontaxes</td>
<td>650.5</td>
<td>690.0</td>
<td>739.1</td>
<td>795.0</td>
<td>890.5</td>
<td>989.0</td>
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<tr>
<td>3. Disposable personal income</td>
<td>4605.1</td>
<td>4791.1</td>
<td>5018.9</td>
<td>5276.9</td>
<td>5534.8</td>
<td>5736.3</td>
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<tr>
<td>4. Personal outlays</td>
<td>4341.0</td>
<td>4580.8</td>
<td>4842.1</td>
<td>5097.3</td>
<td>5376.3</td>
<td>5674.1</td>
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<tr>
<td>5. Personal saving, NIPA (2)</td>
<td>264.1</td>
<td>210.3</td>
<td>176.8</td>
<td>197.6</td>
<td>158.6</td>
<td>121.1</td>
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<tr>
<td>6. Government insurance and pension reserves</td>
<td>84.5</td>
<td>83.7</td>
<td>86.6</td>
<td>72.2</td>
<td>101.5</td>
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<td>7. Net investment in consumer durables</td>
<td>77.1</td>
<td>99.9</td>
<td>123.3</td>
<td>136.3</td>
<td>155.4</td>
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<td>8. Consumption of fixed capital</td>
<td>516.8</td>
<td>530.8</td>
<td>565.6</td>
<td>588.2</td>
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<td>627.6</td>
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<td>9. Gross saving</td>
<td>942.5</td>
<td>924.7</td>
<td>952.3</td>
<td>976.3</td>
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<td>10. Gross investment</td>
<td>1041.1</td>
<td>985.9</td>
<td>1071.3</td>
<td>1020.6</td>
<td>994.9</td>
<td>994.7</td>
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<td>11. Capital expenditures</td>
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<td>784.1</td>
<td>860.5</td>
<td>889.6</td>
<td>949.2</td>
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<td>12. Residential construction</td>
<td>193.8</td>
<td>218.4</td>
<td>249.7</td>
<td>270.3</td>
<td>265.8</td>
<td>282.4</td>
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<td>13. Consumer durable goods</td>
<td>488.5</td>
<td>502.0</td>
<td>579.6</td>
<td>611.0</td>
<td>643.3</td>
<td>673.3</td>
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<td>14. Nonprofit plant and equipment</td>
<td>32.5</td>
<td>35.6</td>
<td>31.9</td>
<td>33.8</td>
<td>37.4</td>
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<td>15. Net financial investment</td>
<td>326.3</td>
<td>201.7</td>
<td>210.9</td>
<td>131.1</td>
<td>45.7</td>
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<td>16. Net acquisition of financial assets</td>
<td>492.7</td>
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<td>438.1</td>
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<td>6.3</td>
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<td>18. Checkable deposits and currency</td>
<td>96.9</td>
<td>47.2</td>
<td>-29.9</td>
<td>-57.7</td>
<td>-66.4</td>
<td>-29.5</td>
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<td>19. Time and savings deposits</td>
<td>-74.7</td>
<td>-113.1</td>
<td>-11.9</td>
<td>170.0</td>
<td>167.9</td>
<td>169.5</td>
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<td>20. Money market fund shares</td>
<td>-40.9</td>
<td>-0.6</td>
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<td>97.9</td>
<td>79.4</td>
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<td>21. Credit market instruments</td>
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<td>-11.4</td>
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<td>22. Open market paper</td>
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<td>-111.4</td>
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<td>24. Treasury</td>
<td>76.3</td>
<td>22.9</td>
<td>156.2</td>
<td>-49.4</td>
<td>-73.9</td>
<td>-209.7</td>
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<td>25. Savings bonds</td>
<td>19.1</td>
<td>14.7</td>
<td>8.0</td>
<td>5.1</td>
<td>2.0</td>
<td>-0.5</td>
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<td>26. Other</td>
<td>57.2</td>
<td>8.3</td>
<td>148.2</td>
<td>-54.4</td>
<td>-75.9</td>
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<td>27. Agency</td>
<td>34.1</td>
<td>35.3</td>
<td>138.7</td>
<td>19.0</td>
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<td>28. Municipal securities</td>
<td>-27.3</td>
<td>31.3</td>
<td>50.2</td>
<td>-42.8</td>
<td>-24.3</td>
<td>24.3</td>
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<td>29. Corporate and foreign bonds</td>
<td>-7.9</td>
<td>37.1</td>
<td>39.9</td>
<td>67.1</td>
<td>4.8</td>
<td>27.5</td>
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<td>30. Mortgages</td>
<td>-10.7</td>
<td>-8.0</td>
<td>-11.1</td>
<td>-6.8</td>
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<td>31. Corporate equities (3)</td>
<td>23.6</td>
<td>55.6</td>
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<td>-197.5</td>
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<td>32. Mutual fund shares</td>
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<td>94.5</td>
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<td>-10.8</td>
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<td>18.6</td>
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<td>36.0</td>
<td>34.5</td>
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<td>43.6</td>
<td>52.9</td>
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<td>230.2</td>
<td>255.7</td>
<td>246.2</td>
<td>233.2</td>
<td>230.8</td>
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<td>36. Investment in bank personal trusts</td>
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<td>17.8</td>
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<td>37. Equity in noncorporate business</td>
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<td>71.5</td>
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<td>38. Miscellaneous assets</td>
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<td>15.8</td>
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<td>39. Net increase in liabilities</td>
<td>166.5</td>
<td>238.3</td>
<td>314.6</td>
<td>357.3</td>
<td>392.4</td>
<td>395.4</td>
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<td>163.3</td>
<td>207.8</td>
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<td>355.6</td>
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<td>41. Home mortgages</td>
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<td>121.2</td>
<td>169.3</td>
<td>170.5</td>
<td>261.0</td>
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<td>42. Consumer credit</td>
<td>3.9</td>
<td>60.7</td>
<td>124.9</td>
<td>138.9</td>
<td>88.8</td>
<td>52.5</td>
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<td>43. Municipal securities</td>
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<td>3.6</td>
<td>0.7</td>
<td>6.6</td>
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<td>44. Bank loans n.e.c.</td>
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<td>9.8</td>
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<td>45. Other loans and advances</td>
<td>9.3</td>
<td>7.1</td>
<td>7.1</td>
<td>26.6</td>
<td>12.4</td>
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<td>46. Commercial mortgages</td>
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<td>-1.1</td>
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<td>49. Deferred and unpaid life insurance premiums</td>
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<td>0.5</td>
<td>0.7</td>
<td>0.3</td>
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<tr>
<td>50. Discrepancy</td>
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<td>-119.1</td>
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### F.100 Households and Nonprofit Organizations (1)—Continued

**Billions of dollars**

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<td>Net physical investment:</td>
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<td>51 FA155012005 (A) Residential construction expenditures</td>
<td>193.8</td>
<td>218.4</td>
<td>249.1</td>
<td>244.7</td>
<td>268.5</td>
<td>282.4</td>
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<td>52 FA156300205 - Consumption of fixed capital</td>
<td>85.9</td>
<td>79.7</td>
<td>87.3</td>
<td>90.4</td>
<td>93.2</td>
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<td>53 FA155012065 = Net investment</td>
<td>107.9</td>
<td>138.7</td>
<td>161.8</td>
<td>154.3</td>
<td>175.3</td>
<td>183.7</td>
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<tr>
<td>54 FA153165105 - Home mortgages</td>
<td>138.3</td>
<td>121.2</td>
<td>169.3</td>
<td>170.5</td>
<td>261.0</td>
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<tr>
<td>55 FA155004205 = Excess net investment</td>
<td>-30.4</td>
<td>17.5</td>
<td>-7.6</td>
<td>-16.1</td>
<td>-85.7</td>
<td>-78.2</td>
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<tr>
<td>56 FA155011001 (B) Consumer durable goods expenditures</td>
<td>488.5</td>
<td>530.2</td>
<td>579.6</td>
<td>611.0</td>
<td>643.3</td>
<td>673.1</td>
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<tr>
<td>57 FA156300103 - Consumption of fixed capital</td>
<td>411.4</td>
<td>430.3</td>
<td>456.3</td>
<td>474.7</td>
<td>487.9</td>
<td>503.8</td>
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<td>58 FA155011065 = Net investment</td>
<td>77.1</td>
<td>99.9</td>
<td>123.3</td>
<td>136.3</td>
<td>155.4</td>
<td>169.2</td>
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<td>59 FA153166000 - Consumer credit</td>
<td>3.9</td>
<td>60.7</td>
<td>124.9</td>
<td>138.9</td>
<td>88.8</td>
<td>52.5</td>
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<td>60 FA155004105 = Excess net investment</td>
<td>73.2</td>
<td>39.2</td>
<td>-1.6</td>
<td>-2.6</td>
<td>66.6</td>
<td>116.7</td>
</tr>
</tbody>
</table>

(1) Sector includes farm households. Supplementary tables (tables F.100.a and L.100.a) show estimates of annual flows and year-end outstandings of nonprofit organizations.

(2) See table F.9 for derivation of alternative measures of personal saving.

(3) Only directly held and those in closed-end funds. Other equities are included in mutual funds (line 32), life insurance and pension reserves (lines 34 and 35), and bank personal trusts (line 36).
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</tr>
</thead>
<tbody>
<tr>
<td>1. Personal income</td>
<td>156010001</td>
<td>6,784.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 2.1, line 1, Personal income. Unadjusted flow calculated by FOF Section using unadjusted flows for components of total (adjusted flows at quarterly rates used for components for which unadjusted flows are not available). For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonably adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>2. Personal taxes and nontax payments</td>
<td>156210005</td>
<td>989.0</td>
<td>Sum of lines 2a and 2b.</td>
</tr>
<tr>
<td>2a. Personal tax and nontax receipts of state and local governments</td>
<td>206210001</td>
<td>219.9</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 2, Personal tax and nontax receipts. Unadjusted flow from SCB, NIPA table 9.4, line 2, Personal tax and nontax receipts. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonably adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>2b. Personal tax and nontax receipts of the federal government</td>
<td>316210001</td>
<td>769.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 2, Personal tax and nontax receipts. Unadjusted flow from SCB, NIPA table 9.3, line 2, Personal tax and nontax receipts. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>3. Disposable personal income</td>
<td>156012005</td>
<td>5,795.2</td>
<td>Line 1 less line 2.</td>
</tr>
<tr>
<td>4. Personal outlays</td>
<td>156900005</td>
<td>5,674.1</td>
<td>Sum of lines 4a, 4b, and 4c.</td>
</tr>
<tr>
<td>4a. Personal consumption expenditures</td>
<td>156901001</td>
<td>5,493.7</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.1, line 2, Personal consumption expenditures. Unadjusted flow from SCB, NIPA table 9.2, line 1, Personal consumption expenditures. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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### F.100 Households and Nonprofit Organizations—Continued

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<tbody>
<tr>
<td>4b. Interest paid by persons</td>
<td>156901103</td>
<td>161.5</td>
<td>Seasonally adjusted flow from SCB, NIPA table 2.1, line 29, Interest paid by persons. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>4c. Net personal transfer payments to the rest of the world</td>
<td>156901201</td>
<td>18.9</td>
<td>Seasonally adjusted flow from SCB, NIPA table 2.1, line 30, Personal transfer payments to rest of the world (net); also shown in NIPA table 4.1, line 17, Transfer payments from persons (net). Unadjusted flow from SCB, NIPA table 9.5, line 13, Transfer payments from persons (net). For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>5. Personal saving, NIPA measure</td>
<td>156007105</td>
<td>121.1</td>
<td>Line 3 less line 4. See table F.9 for alternative measures of personal saving.</td>
</tr>
<tr>
<td>6. Change in liabilities of state and local and federal governments for insurance and pension fund reserves</td>
<td>363154005</td>
<td>111.2</td>
<td>Change in pension fund reserve liabilities of state and local government employee retirement funds (equal to the sum of their net investment in tangible assets, line 6a net of 6b, and net acquisition of financial assets, line 6c net of 6d) plus lines 6e, 6f, and 6g. Adding the series listed here transfers portions of saving to the households and nonprofit organizations sector from state and local governments and from the federal government; a corresponding subtraction appears in each of the two FOF government tables (F.105, line 10, and F.106, line 12). This adjustment is made in order to maintain consistency with NIPA in the treatment of private life insurance and pension fund reserves.</td>
</tr>
</tbody>
</table>
### Table F.100—Continued

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<tr>
<td>6a. Fixed nonresidential structures investment by state and local government employee retirement funds</td>
<td>225013063</td>
<td>1.6</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series 13NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (13NFI611EQ00), insurance carriers (13NFI631EQ00), and holding and other investment offices (13NFI671EQ00), plus Structures for commercial and mutual depository institutions (13NFI6B1ST00), nondepository institutions (13NFI611ST00), insurance carriers (13NFI631ST00), and holding and other investment offices (13NFI671ST00); the sum is multiplied by the ratio of investment in nonresidential structures by insurance carriers to investment in equipment and nonresidential structures by insurance carriers, and multiplied by the ratio of tangible assets reported by state and local government employee retirement funds to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using NIPA total investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. State and local government employee retirement funds are assumed to have no equipment.</td>
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<tr>
<td>6b. Consumption of fixed nonresidential structures capital by state and</td>
<td>226330063</td>
<td>1.4</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NF66B1EQ00; revisions and updates provided by BEA), nondepository institutions M1NF661EQ00, insurance carriers (M1NF6631EQ00), and holding and other investment offices (M1NF6671EQ00), plus Structures for commercial and mutual depository institutions (M1NF661ST00), nondepository institutions (M1NF6611ST00), insurance carriers (M1NF6631ST00), and holding and other investment offices (M1NF6671ST00); the sum is multiplied by the ratio of consumption of fixed nonresidential structures capital by insurance carriers to consumption of fixed nonresidential equipment and structures capital by insurance carriers, and multiplied by the ratio of tangible assets reported by state and local government employee retirement funds to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a relocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships. State and local government employee retirement funds are assumed to have no equipment.</td>
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<tr>
<td>6c. Change in total assets reported by state and local government employee retirement funds</td>
<td>224090003</td>
<td>79.9</td>
<td>Unadjusted flow from Quarterly Survey of the Finances of Public-Employee Retirement Systems (data provided by Bureau of the Census), part I, sum of line A.1, Employee contributions, line A.2, Government contributions, line A.3, Earnings on investments, and line A.4, Other receipts, less the sum of line B.1, Benefits paid, line B.2, Withdrawals, and line B.3, Other payments. Level is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>6d. Change in tangible assets, at book value, of state and local government employee retirement funds</td>
<td>225013103</td>
<td>.7</td>
<td>Fiscal-year-end level from Employee-Retirement Systems of State and Local Governments, table 1, National Summary of State and Local Government Employee-Retirement System Finances, Real property. Data were formerly published annually, with a lag of several years; latest volume available is part of the 1992 quinquennial Census of Governments. Series is converted to quarterly and estimated for current periods using data from Quarterly Survey of the Finances of Public-Employee Retirement Systems, part II, line G.1, Real property. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>6e. Change in life insurance reserve liabilities of the federal government</td>
<td>313140003</td>
<td>.4</td>
<td>Level from Monthly Treasury Statement, table 6, schedule D, column Securities held as investments, Close of this month, Department of Veterans Affairs, sum of National service life insurance fund, U.S. government life insurance fund, and Veterans special life insurance fund. Unadjusted flow is the change in the level. Entire amount is assumed to be a liability of the federal government to the households and nonprofit organizations sector. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. The complete financial statement for the national service life insurance fund appears in the December issue of the Treasury Bulletin.</td>
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<tr>
<td>6f. Change in federal employee retirement reserve liabilities of the federal government</td>
<td>313151000</td>
<td>29.7</td>
<td>Level from Monthly Treasury Statement, table 6, schedule D, column Securities held as investments, Close of this month, Office of Personnel Management, Civil service retirement and disability fund, sum of Public debt securities and Agency securities. Entire amount is assumed to be a liability of the federal government to the households and nonprofit organizations sector. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure. The complete financial statement for the civil service retirement and disability fund appears in the December issue of the Treasury Bulletin.</td>
</tr>
<tr>
<td>6g. Change in railroad retirement reserve liabilities of the federal government</td>
<td>313152000</td>
<td>1.7</td>
<td>Level from Monthly Treasury Statement, table 6, schedule D, column Securities held as investments, Close of this month, Independent agencies, Railroad Retirement Board. Entire amount is assumed to be a liability of the federal government to the households and nonprofit organizations sector. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure. The complete financial statement for the railroad retirement account appears in the December issue of the Treasury Bulletin.</td>
</tr>
<tr>
<td>7. Net investment in consumer durable goods by households</td>
<td>155011065</td>
<td>169.2</td>
<td>Line 13 less line 57. In the NIPA, expenditures on consumer durable goods are included in personal consumption expenditures and considered to be current outlays, but in the FOF accounts they are treated as investment. To adjust personal saving for the difference in treatment while maintaining balance between gross saving and gross investment of the households and nonprofit organizations sector, the series for expenditures on durables is added to both saving and investment. Consumption of fixed consumer durable goods capital, not included in the NIPA, is added to consumption of other fixed capital in line 8 and is deducted from durables expenditures in line 7.</td>
</tr>
<tr>
<td>8. Consumption of fixed capital, NIPA basis, by the households and nonprofit organizations sector</td>
<td>156300005</td>
<td>627.6</td>
<td>Sum of lines 8a, 8b, 8c, 8d, and 57.</td>
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<td>79.9</td>
<td>Unadjusted flow from Quarterly Survey of the Finances of Public-Employee Retirement Systems (data provided by Bureau of the Census), part I, sum of line A.1, Employee contributions, line A.2, Government contributions, line A.3, Earnings on investments, and line A.4, Other receipts, less the sum of line B.1, Benefits paid, line B.2, Withdrawals, and line B.3, Other payments. Level is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>6d. Change in tangible assets, at book value, of state and local government employee retirement funds</td>
<td>225013103</td>
<td>.7</td>
<td>Fiscal-year-end level from Employee-Retirement Systems of State and Local Governments, table 1, National Summary of State and Local Government Employee-Retirement System Finances, Real property. Data were formerly published annually, with a lag of several years; latest volume available is part of the 1992 quinquennial Census of Governments. Series is converted to quarterly and estimated for current periods using data from Quarterly Survey of the Finances of Public-Employee Retirement Systems, part II, line G.1, Real property. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>6e. Change in life insurance reserve liabilities of the federal government</td>
<td>313140003</td>
<td>.4</td>
<td>Level from Monthly Treasury Statement, table 6, schedule D, column Securities held as investments, Close of this month, Department of Veterans Affairs, sum of National service life insurance fund, U.S. government life insurance fund, and Veterans special life insurance fund. Unadjusted flow is the change in the level. Entire amount is assumed to be a liability of the federal government to the households and nonprofit organizations sector. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. The complete financial statement for the national service life insurance fund appears in the December issue of the Treasury Bulletin.</td>
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<td>6g. Change in railroad retirement reserve liabilities of the federal government</td>
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<td>1.7</td>
<td>Level from Monthly Treasury Statement, table 6, schedule D, column Securities held as investments, Close of this month, Independent agencies, Railroad Retirement Board. Entire amount is assumed to be a liability of the federal government to the households and nonprofit organizations sector. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure. The complete financial statement for the railroad retirement account appears in the December issue of the Treasury Bulletin.</td>
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<td>7. Net investment in consumer durable goods by households</td>
<td>155011065</td>
<td>169.2</td>
<td>Line 13 less line 57. In the NIPA, expenditures on consumer durable goods are included in personal consumption expenditures and considered to be current outlays, but in the FOF accounts they are treated as investment. To adjust personal saving for the difference in treatment while maintaining balance between gross saving and gross investment of the households and nonprofit organizations sector, the series for expenditures on durables is added to both saving and investment. Consumption of fixed consumer durable goods capital, not included in the NIPA, is added to consumption of other fixed capital in line 8 and is deducted from durables expenditures in line 7.</td>
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<td>8. Consumption of fixed capital, NIPA basis, by the households and nonprofit organizations sector</td>
<td>156300005</td>
<td>627.6</td>
<td>Sum of lines 8a, 8b, 8c, 8d, and 57.</td>
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<tbody>
<tr>
<td>8a. Consumption of fixed nonresidential capital by nonprofit organizations, with nonresidential structures and equipment valued at current cost</td>
<td>166330003</td>
<td>25.1</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A7, Fixed Nonresidential Private Capital, by Legal Form of Organization and Major Industry Group, Current-Cost Valuation, Depreciation. Nonprofit institutions, sum of Equipment (series M1NTOTL8EQ00; revisions and updates provided by BEA) and Structures (M1NTOTL8ST00). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>8b. Consumption of fixed owner-occupied residential capital by households, with owner-occupied residential structures valued at current cost</td>
<td>156320003</td>
<td>93.0</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A16, Residential Capital, by Type of Owner, Tenure Group, and Type of Equipment and Structures, Current-Cost Valuation, Depreciation, Owner-occupied nonfarm (series M1RF165ONOC; revisions and updates provided by BEA). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>8c. Consumption of fixed residential capital by nonprofit organizations, with residential structures valued at current cost</td>
<td>166320003</td>
<td>2.4</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A10, Private Residential Capital, by Legal Form of Organization and Industry, Current-Cost Valuation, Depreciation, Nonprofit institutions (series M1RTOTL8ES00; revisions and updates provided by BEA). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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### F.100 Households and Nonprofit Organizations—Continued

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<tr>
<td>8d.</td>
<td>136320003</td>
<td>3.3</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A16, Residential Capital, by Type of Owner, Tenure Group, and Type of Equipment and Structures, Current-Cost Valuation, Depreciation, Owner-Occupied Farm (series M1RAG014ONOC; revisions and updates provided by BEA). Series is converted to seasonally adjusted flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>9.</td>
<td>156000105</td>
<td>1,029.2</td>
<td>Sum of lines 5, 6, 7, and 8.</td>
</tr>
<tr>
<td>10.</td>
<td>155090005</td>
<td>994.7</td>
<td>Sum of lines 11 and 15.</td>
</tr>
<tr>
<td>11.</td>
<td>155050005</td>
<td>999.0</td>
<td>Sum of lines 12, 13, and 14.</td>
</tr>
<tr>
<td>12.</td>
<td>155012005</td>
<td>282.4</td>
<td>Line 12a less lines 12b and 12c and less fixed residential investment by real estate investment trusts (estimated as line 12d multiplied by 0.83333, less line 12e).</td>
</tr>
<tr>
<td>12a.</td>
<td>195012001</td>
<td>327.9</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.1, line 11, Private fixed residential investment; also shown in NIPA table 5.4, line 15, Residential. Unadjusted flow from SCB, NIPA table 9.1, line 11, Residential. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<tr>
<td>12b. Fixed residential investment by nonfarm nonfinancial corporate business</td>
<td>105012003</td>
<td>2.5</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B7, Residential Capital, by Type of Owner, Legal Form of Organization, and Industry, Historical-Cost Valuation, Private, Corporate (assumed to be all nonfinancial corporate) (series I3RFI652ES00; revisions and updates provided by BEA). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using fixed residential investment by private sectors (FOF series 195012001, table F.8, line 21) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>12c. Fixed residential investment by nonfarm noncorporate business</td>
<td>115012003</td>
<td>36.2</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B7, Residential Capital by Type of Owner, Legal Form of Organization, and Industry, Historical-Cost Valuation, Private, Noncorporate, Total (series I3RTOTL3ES00; revisions and updates provided by BEA); less Nonprofit institutions (I3RFI658ES00); less, from table B9, Private Residential Capital, by Tenure Group and Type of Equipment and Structures, Historical-Cost Valuation, Owner-occupied nonfarm (I3RFI655ONOC), Owner-occupied farm (I3RAG014ONOC), and Tenant-occupied farm (I3RAG014TOOC). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using fixed residential investment by private sectors (FOF series 195012001, table F.8, line 21) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>12d. Change in tangible assets, at book value, of real estate investment trusts</td>
<td>645019003</td>
<td>45.2</td>
<td>Year-end level from NAREIT Industry Statistics, Industry Balance Sheet, Equity investments, Property owned, net of Accumulated depreciation, plus Other. Unadjusted quarterly flow estimated as a proportion of equity and debt issuance from REITWatch; level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tbody>
<tr>
<td>12e. Fixed nonresidential investment by real estate trusts</td>
<td>645013013</td>
<td>30.8</td>
<td>Unadjusted flow estimated by FOF Section on the basis of industry reports of asset purchases. Calculated as investment in all structures (currently estimated as five-sixths of the change in the level of total property from NAREIT Industry Statistics, Industry Balance Sheet, Assets, Equity investments, Property owned, net of Accumulated depreciation, plus Other) multiplied by the ratio of investment in nonresidential structures to investment in all structures (ratio estimated by FOF Section on the basis of information from NAREIT); the remaining one-sixth of the change in net property is assumed to be land purchases. Quarterly allocation of annual flows estimated as a proportion of equity and debt issuance from REITWatch. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>13. Investment in consumer durable goods by households</td>
<td>155011001</td>
<td>673.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.1, line 3, Personal consumption expenditures on durable goods; also shown in NIPA table 2.2, line 2, Durable goods. Unadjusted flow from SCB, NIPA table 9.2, line 2, Durable goods. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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### F.100—Continued

<table>
<thead>
<tr>
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<tr>
<td>14. Fixed nonresidential investment by nonprofit organizations</td>
<td>165013003</td>
<td>43.6</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B5, Fixed Nonresidential Private Capital, by Legal Form of Organization and Major Industry Group, Historical-Cost Valuation, Noncorporate, sum of Equipment for nonprofit institutions (series I3NTOTL8EQ00; revisions and updates provided by BEA) and Structures for nonprofit institutions (I3NTOTL8ST00). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures portion and investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment portion. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>15. Net financial investment by the households and nonprofit organizations sector</td>
<td>155000005</td>
<td>-4.4</td>
<td>Line 16 less line 39.</td>
</tr>
<tr>
<td>16. Net acquisition of financial assets by the households and nonprofit organizations sector</td>
<td>154090005</td>
<td>391.1</td>
<td>Sum of lines 17 through 21, 31, 32, 33, 34, 35, 36, 37, and 38.</td>
</tr>
<tr>
<td>17. Change in foreign deposits held by the households and nonprofit organizations sector</td>
<td>153091003</td>
<td>6.3</td>
<td>Year-end level for 1982 onward derived from data from IRS, Currency Reporting and Compliance Division, Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts; year-end levels for 1992 and 1995 from FR Board’s Survey of Consumer Finances. Data are annual; series is converted to quarterly by ratio method, using foreign deposits held by U.S. private sectors (FOF series 263191003, table F.107, line 36) as the denominator. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>18. Change in checkable deposits and currency held by the households and nonprofit organizations sector</td>
<td>153020005</td>
<td>-29.5</td>
<td>Calculated as residual. See table F.204, line 13.</td>
</tr>
<tr>
<td>19. Change in time and savings deposits held by the households and nonprofit organizations sector</td>
<td>153030005</td>
<td>169.5</td>
<td>Calculated as residual. See table F.205, line 17.</td>
</tr>
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<tr>
<td>20. Change in money market mutual fund shares held by the households and nonprofit organizations sector</td>
<td>153034005</td>
<td>108.7</td>
<td>Calculated as residual. See table F.206, line 3.</td>
</tr>
<tr>
<td>21. Change in credit market assets of the households and nonprofit organizations sector</td>
<td>154004005</td>
<td>−125.4</td>
<td>Sum of lines 22, 23, 28, 29, and 30.</td>
</tr>
<tr>
<td>22. Change in open market paper held by nonprofit organizations</td>
<td>163069103</td>
<td>7.0</td>
<td>Beginning 1987:Q4, level is the sum of data for private foundations and 501(c)(3)–(9) organizations. For private foundations, year-end level from SOI Bulletin, annual article Private Foundations and Charitable Trusts, table 3, All Private Foundations: Income Statements and Balance Sheets, by Size of Fair Market Value of Total Assets, section on assets at fair market value, percentage of Savings and temporary cash investments; percentage determined using distribution of assets of private foundations from an FOF panel data set. For 501(c)(3)–(9) organizations, year-end level from SOI Bulletin, annual article Charities and Other Tax-Exempt Organizations, table 3, Form 990 Returns of Organizations Tax-Exempt under Internal Revenue Code Sections 501(c)(3)–(9): Selected Income Statement and Balance Sheet Items, by Code Section, percentage of Investments in securities; percentage determined using data from the Money Market Directory of Tax-Exempt Organizations. Data are annual; series is converted to quarterly and estimated for current periods by FOF Section. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Before 1987:Q4, series was calculated as a residual.</td>
</tr>
<tr>
<td>23. Change in U.S. government securities held by the households and nonprofit organizations sector</td>
<td>153061005</td>
<td>−181.4</td>
<td>Sum of lines 24 and 27.</td>
</tr>
<tr>
<td>24. Change in U.S. Treasury securities held by the households and nonprofit organizations sector</td>
<td>153061505</td>
<td>−209.7</td>
<td>Sum of lines 25 and 26.</td>
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## Table F.100—Continued

<table>
<thead>
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<tr>
<td>25. Change in savings bond liabilities of the federal government (assets</td>
<td>313161400</td>
<td>-0.5</td>
<td>Level from Monthly Statement of the Public Debt, table III, Interest-bearing debt, Nonmarketable, sum of Total U.S. savings bonds and U.S. savings notes, plus Noninterest-bearing debt, Subject to the statutory debt limit, sum of Matured U.S. savings bonds and Matured U.S. savings notes. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<td>of the households and nonprofit organizations sector)</td>
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<tr>
<td>held by the households and nonprofit organizations sector</td>
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<tr>
<td>27. Change in U.S. government agency securities held by the households</td>
<td>153061705</td>
<td>28.3</td>
<td>Calculated as residual. See table F.210, line 6.</td>
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<td>and nonprofit organizations sector</td>
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<tr>
<td>28. Change in municipal securities held by the households and nonprofit</td>
<td>153062005</td>
<td>24.3</td>
<td>Calculated as residual. See table F.211, line 8.</td>
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<tr>
<td>29. Change in corporate and foreign bonds held by the households and</td>
<td>153063005</td>
<td>27.5</td>
<td>Calculated as residual. See table F.212, line 13.</td>
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<td>nonprofit organizations sector</td>
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<tr>
<td>30. Change in mortgages held by the households and nonprofit</td>
<td>153065005</td>
<td>-2.9</td>
<td>Calculated as residual. See table F.217, line 15. This series is also the sum of table F.218, line 6; table F.219, line 7; table F.220, line 7; and table F.221, line 3.</td>
</tr>
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<tr>
<td>31. Net purchases of corporate equities by the households and nonprofit</td>
<td>153064105</td>
<td>-490.2</td>
<td>Calculated as residual. See table F.213, line 11. Includes only directly held equities and shares in closed-end funds. Other equities are held through mutual funds (line 32 below), life insurance and pension fund reserves (lines 34 and 35), and bank personal trusts (line 36).</td>
</tr>
<tr>
<td>organizations sector</td>
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<tr>
<td>32. Net purchases of mutual fund shares by the households and nonprofit</td>
<td>153064205</td>
<td>222.9</td>
<td>Calculated as residual. See table F.214, line 3.</td>
</tr>
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<tr>
<td>33. Change in security credit held by the households and nonprofit</td>
<td>153067005</td>
<td>51.6</td>
<td>Line 33a less line 33b.</td>
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<tr>
<td>33a. Change in credit balances owed to customers by security brokers and dealers</td>
<td>663167203</td>
<td>51.6</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOFS reports, sum of Payable to customers (sum of series F1580 and F1590) and Payable to noncustomers (sum of F1600 and F1610). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>33b. Change in U.S. security credit held by the rest of the world</td>
<td>263067003</td>
<td>.0</td>
<td>Level from FR Bulletin, former statistical section International Capital Transactions of the U.S., table 18, Foreign Credit and Debit Balances in Brokerage Accounts, column Credit balances (due to foreigners). Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1976:Q2 for levels and 1976:Q3 for flows; it is assumed that the data are now included with trade receivables. For earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>34. Change in life insurance reserve assets of the households and nonprofit organizations sector</td>
<td>153040005</td>
<td>52.9</td>
<td>Sum of lines 6e and 34a.</td>
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<td>Component</td>
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<tr>
<td>34a. Change in life insurance reserve liabilities of life insurance companies</td>
<td>543140003</td>
<td>52.6</td>
<td>Beginning 1997:Q4, level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for life, accident, and health insurance companies. Year-end level is sum of Annual Statement, table Liabilities, Surplus, and Other Funds, line 1. Aggregate reserve for life policies and contracts, less exhibit 8, Annuities, column Total, line Totals (net); exhibit 10, a portion of Liability for premiums and other deposit funds (direct and assumed), sum of columns 2, 3, 5, 6, and 7, line 6, Totals (net); a portion of Supplementary contracts without life contingencies (direct and assumed), sum of columns 2, 3, 5, 6, 7, and 12, line 11, Totals (net); plus Separate Accounts Statement, exhibit 6, Life insurance, column Total, line Totals (net), and Supplementary contracts, column Total, line Totals. Data are annual; series is converted to quarterly using quarterly statement data for general account liabilities and FOF Section estimate of life insurance reserve liabilities in separate accounts. Before 1997:Q4, level from Life Insurance Fact Book, section on Reserves and Other Obligations, line Policy Reserves, column Life insurance plus column Supplementary contracts, with annual data converted to quarterly by FOF Section estimate. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>35. Change in pension fund reserve assets of the households and nonprofit organizations sector</td>
<td>153050005</td>
<td>296.8</td>
<td>Line 6 net of line 6e, plus lines 35a and 35b.</td>
</tr>
<tr>
<td>35b. Change in pension fund reserve liabilities of private pension funds</td>
<td>573150005</td>
<td>86.4</td>
<td>See table F.119, line 22.</td>
</tr>
<tr>
<td>36. Change in investments of the households and nonprofit organizations sector in bank personal trusts and estates</td>
<td>604190005</td>
<td>75.0</td>
<td>See table F.116, line 17.</td>
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<tr>
<td>37. Proprietors’ net investment in noncorporate business</td>
<td>153080005</td>
<td>40.7</td>
<td>Sum of lines 37a, 37b, and 37c.</td>
</tr>
</tbody>
</table>
### F.100 Households and Nonprofit Organizations—Continued

<table>
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<tr>
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<tbody>
<tr>
<td>37b. Proprietors’ net investment in noncorporate farm business</td>
<td>133180005</td>
<td>3.9</td>
<td>See table F.104, line 23.</td>
</tr>
<tr>
<td>37c. Proprietors’ net investment in noncorporate security brokers and dealers</td>
<td>663180005</td>
<td>18.0</td>
<td>See table F.130, line 28.</td>
</tr>
<tr>
<td>38. Change in total miscellaneous assets of the households and nonprofit organizations sector</td>
<td>153090005</td>
<td>11.7</td>
<td>Sum of lines 38a, 38b, and 38c, plus change in receivables due from other insurance companies (line 38d net of lines 38e, 38f, and 38g).</td>
</tr>
<tr>
<td>38a. Change in liabilities of the federal government for Postal Savings System deposits</td>
<td>313131003</td>
<td>.0</td>
<td>Fiscal-year-end level through 1965 published in Report of Operations of the Postal Savings System; monthly data on deposit liabilities through June 1967 were published in the FR Bulletin. Data from 1967:Q3 through 1985:Q2 estimated by FOF Section. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1985:Q3 for levels and 1968:Q1 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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</table>
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<tr>
<td>38b. Change in liabilities of life insurance companies for health insurance reserves</td>
<td>543195103</td>
<td>6.3</td>
<td>Beginning 1997:Q4, level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for life, accident, and health insurance companies. Year-end level from Annual Statement, sum of table Liabilities, Surplus, and Other Funds, line 2, Aggregate reserve for accident and health policies; exhibit 10, Liability for premiums and other deposit funds (direct and assumed), sum of columns 9, 10, and 11, line 6, Totals (net), and Supplementary contracts without life contingencies (direct and assumed), sum of columns 9, 10, and 11, line 11, Totals (net); plus Separate Accounts Statement, exhibit 6, Accident and health contracts, column Total, line Totals. Data are annual; series is converted to quarterly using quarterly statement data from table Liabilities, Surplus, and Other Funds, line 2, Aggregate reserve for accident and health policies, and FOF Section estimate of accident and health reserve liabilities in separate accounts. Before 1997:Q4, level from Life Insurance Fact Book, section Reserves and Other Obligations, table Policy Reserves, column Health insurance, with annual data converted to quarterly by FOF Section. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### F.100 Households and Nonprofit Organizations—Continued

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<tr>
<td>38c.</td>
<td>543195203</td>
<td>2.0</td>
<td>Beginning 1997:Q4, level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for life, accident, and health insurance companies. Year-end level from Annual Statement, table Liabilities, Surplus, and Other Funds, sum of line 5, Policyholders’ dividend and coupon accumulations, line 6, Policyholders’ dividends and coupons due and unpaid, and line 7, Provision for policyholders’ dividends and coupons payable in following calendar year; plus Separate Accounts Statement, table Liabilities and Surplus, line 2, Policyholder dividend accumulations. Data are annual; series is converted to quarterly using quarterly statement data from table Liabilities, Surplus, and Other Funds, sum of line 5, Policyholders’ dividend and coupon accumulations, line 6, Policyholders’ dividends and coupons due and unpaid, and line 7, Provision for policyholders’ dividends and coupons payable in following calendar year; plus FOF Section estimate of policyholders’ dividend accumulations held in separate accounts. Before 1997:Q4, level from Life Insurance Fact Book, section Reserves and Other Obligations, table Obligations and Surplus Funds, sum of columns Policy dividend accumulations and Funds set aside for policy dividends, with annual data converted to quarterly by FOF Section estimate. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>38d.</td>
<td>513176003</td>
<td>4.8</td>
<td>Level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for property-casualty insurance companies, table Liabilities, Surplus, and Other Funds, sum of line 1, Losses, line 2, Loss adjustment expenses, and line 9, Unearned premiums. The asset counterpart of this liability is allocated among the households and nonprofit organizations sector; nonfarm nonfinancial corporate business, nonfarm noncorporate business, and farm business using the distribution, by line of business, of premiums written by stock companies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tbody>
<tr>
<td>38e. Change in claims of nonfarm nonfinancial corporate business on reserves of other insurance companies</td>
<td>103076003</td>
<td>-7.1</td>
<td>Level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for property–casualty insurance companies, table Liabilities, Surplus, and Other Funds, sum of line 1, Losses, line 2, Loss adjustment expenses, and line 9, Unearned premiums. The asset counterpart of this liability is allocated among the households and nonprofit organizations sector, nonfarm nonfinancial corporate business, nonfarm noncorporate business, and farm business using the distribution, by line of business, of premiums written by stock companies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>38f. Change in claims of nonfarm noncorporate business on reserves of other insurance companies</td>
<td>113076003</td>
<td>4.1</td>
<td>Level from A.M. Best Company tabulation of NAIC quarterly and annual statements for property–casualty insurance companies, table Liabilities, Surplus, and Other Funds, sum of line 1, Losses, line 2, Loss adjustment expenses, and line 9, Unearned premiums. The asset counterpart of this liability is allocated among the households and nonprofit organizations sector, nonfarm nonfinancial corporate business, nonfarm noncorporate business, and farm business using the distribution, by line of business, of premiums written by stock companies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>38g. Change in claims of farm business on reserves of other insurance companies</td>
<td>133076003</td>
<td>4.4</td>
<td>Level from A.M. Best Company tabulation of NAIC quarterly and annual statements for property–casualty insurance companies, table Liabilities, Surplus, and Other Funds, sum of line 1, Losses, line 2, Loss adjustment expenses, and line 9, Unearned premiums. The asset counterpart of this liability is allocated among the households and nonprofit organizations sector, nonfarm nonfinancial corporate business, nonfarm noncorporate business, and farm business using the distribution, by line of business, of premiums written by stock companies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### F.100  Households and Nonprofit Organizations—Continued

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<tr>
<td><strong>39. Net increase in liabilities of the households and nonprofit...</strong></td>
<td>154190005</td>
<td>395.4</td>
<td>Sum of lines 40, 47, 48, and 49.</td>
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<td><strong>40. Change in credit market debt of the households and nonprofit...</strong></td>
<td>154102005</td>
<td>355.6</td>
<td>Sum of lines 41, 42, 43, 44, 45, and 46.</td>
</tr>
<tr>
<td><strong>41. Change in home mortgage debt of the households and nonprofit...</strong></td>
<td>153165105</td>
<td>261.9</td>
<td>Calculated as residual. See table F.218, line 2. Includes home equity loans and second mortgages.</td>
</tr>
<tr>
<td><strong>42. Change in consumer credit liabilities of households</strong></td>
<td>153166000</td>
<td>52.5</td>
<td>Level from FR Board, Financial Institutions Section, monthly G.19 statistical release, Consumer Credit, table Consumer Credit Outstanding. Not seasonally adjusted, Total. Unadjusted flow is the change in the level; seasonally adjusted flow calculated by FOF Section using seasonal factors estimated by FR Board, Financial Institutions Section.</td>
</tr>
<tr>
<td><strong>43. Change in outstanding municipal debt of nonprofit organizations</strong></td>
<td>153162005</td>
<td>10.0</td>
<td>Sum of lines 43a and 43b, less line 43c.</td>
</tr>
<tr>
<td><strong>43a. Gross issuance of municipal debt by nonprofit organizations to finance student loans</strong></td>
<td>153162200</td>
<td>4.5</td>
<td>Unadjusted flow from Securities Data Company via FR Board, Capital Markets Section, Gross offerings of tax-exempt bonds by nonprofit organizations to finance student loans. Level is obtained by adding flow to preceding level. Seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td><strong>43b. Gross issuance of municipal debt by nonprofit hospitals</strong></td>
<td>153162503</td>
<td>15.2</td>
<td>Unadjusted flow from Securities Data Company via FR Board, Capital Markets Section, Gross offerings of tax-exempt bonds by hospitals. Level is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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</tr>
<tr>
<td>43c. Retirements of municipal debt by nonprofit organizations</td>
<td>153162273</td>
<td>9.7</td>
<td>Unadjusted flow estimated by FOF Section using data published on the Bureau of the Census Internet site and data on gross issuance of municipal debt by nonprofit organizations to finance student loans (FOF series 153162200, line 43a above) and by nonprofit hospitals (153162503, line 43b above). Level is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>44. Change in outstanding bank loans, not elsewhere classified, to the households and nonprofit organizations sector</td>
<td>153168005</td>
<td>8.9</td>
<td>Sum of lines 44a, 44b, 44c, and 44d, less the change in mortgages held by U.S.-chartered commercial banks (sum of lines 44e through 44h net of lines 44i and 44j), less lines 44k, 44l, 44m, and 44n, and less 40 percent of line 44o. The portion of line 44o deducted is an estimate of commercial paper issued by nondepository financial institutions that is held by U.S.-chartered commercial banks; it is included with bank loans on the banks’ quarterly Reports of Condition.</td>
</tr>
<tr>
<td>44a. Change in loans to the households and nonprofit organizations sector and to nondepository financial institutions held by U.S.-chartered commercial banks</td>
<td>723068200</td>
<td>10.0</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-C, Other loans, All other loans (exclude consumer loans) (series RCON1564). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>44b. Change in total mortgage holdings reported by U.S.-chartered commercial banks</td>
<td>723065000</td>
<td>103.8</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-C, Loans secured by real estate (sum of series RCON1415, RCON1420, RCON1797, RCON5367, RCON5368, RCON1460, and RCON1480). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>44c. Change in consumer credit held by U.S.-chartered commercial banks, as reported in quarterly reports of condition</td>
<td>723066720</td>
<td>-14.2</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-C, Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper) (series RCON1975). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>Component</td>
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<td>1997 value (billions of dollars)</td>
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<tr>
<td>44d. Change in loans to the households and nonprofit organizations sector</td>
<td>753068200</td>
<td>9.4</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule C, sum of Loans to other financial institutions (series RCON1520) and All other loans (include state and local obligations other than securities and loans to individuals) (RCON1885); for Edge and agreement corporations, schedule C, All other loans including lease financing receivables (RCFD2089 less RCFN2089); and for New York State investment companies (through 1996:Q2), schedule A, sum of Loans to other financial institutions (RCON1520) and All other loans, including overdrafts (RCON2083). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>44e. Change in home mortgages held by the commercial banking sector</td>
<td>763065100</td>
<td>64.0</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from quarterly Reports of Condition; series is shown in FR Bulletin, table 1.54, line 8, One- to four-family mortgages held by commercial banks. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>44f. Change in multifamily residential mortgages held by the commercial banking sector</td>
<td>763065403</td>
<td>4.0</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from quarterly Reports of Condition; series is shown in FR Bulletin, table 1.54, line 9, Multifamily mortgages held by commercial banks. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>44g. Change in commercial mortgages held by the commercial banking sector</td>
<td>763065503</td>
<td>28.7</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from quarterly Reports of Condition; series is shown in FR Bulletin, table 1.54, line 10, Commercial banks, Nonfarm, nonresidential. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>44h. Change in farm mortgages held by the commercial banking sector</td>
<td>763065600</td>
<td>2.1</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from quarterly Reports of Condition; series is shown in FR Bulletin, table 1.54, line 11, Farm mortgages held by commercial banks. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<tr>
<td>44i. Change in commercial mortgages held by foreign banking offices in the U.S.</td>
<td>753065503</td>
<td>−6.1</td>
<td>Level from quarterly Report of Condition for U.S. branches and agencies of foreign banks, schedule C, Loans secured by real estate (series RCON1410). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>44j. Change in mortgages held by banks in U.S.-affiliated areas</td>
<td>743065003</td>
<td>.6</td>
<td>For banks located in U.S.-affiliated areas, quarterly level from Report of Condition, schedule RC-C, Loans secured by real estate (series RCFD1410); and for branches of U.S. banks located in U.S.-affiliated areas, year-end level from Foreign Branch Report of Condition, Loans secured by real estate (RCFN1410). Data for branches are annual and are converted to quarterly using data for banks in U.S.-affiliated areas. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>44k. Change in consumer credit held by U.S.-chartered commercial banks, as reported in the Federal Reserve Board’s monthly G.19 statistical release</td>
<td>723066000</td>
<td>−14.2</td>
<td>Level from FR Board, Financial Institutions Section, monthly G.19 statistical release, Consumer Credit, table Consumer Credit Outstanding, Not seasonally adjusted, Major holders, Commercial banks. Excludes securitized consumer credit. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>44l. Change in outstanding bank loans, not elsewhere classified, to finance companies</td>
<td>613168000</td>
<td>4.4</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from quinquennial benchmark surveys and monthly surveys of a sample of finance companies conducted by FR Board. Series is shown in FR Bulletin, table 1.51, line 10, Bank loans. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>44m. Change in outstanding bank loans, not elsewhere classified, to mortgage companies</td>
<td>623168003</td>
<td>−1.3</td>
<td>Level estimated by FOF Section as approximately 50 percent of the value of mortgages held by mortgage companies (FOF series 623065003, table F.128, line 1). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### F.100 Households and Nonprofit Organizations—Continued

<table>
<thead>
<tr>
<th>Component</th>
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<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tbody>
<tr>
<td>44n. Change in outstanding bank loans, not elsewhere classified, to real estate investment trusts</td>
<td>643168003</td>
<td>7.0</td>
<td>Year-end level estimated by FOF Section as a proportion of Unsecured debt from NAREIT Industry Statistics, Industry Balance Sheet. Liabilities, based on historical ratio of bank debt to unsecured debt from data formerly published. Unadjusted quarterly flow estimated as a proportion of equity and debt issuance published in REITWatch; level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>44o. Change in open market paper held by U.S.-chartered commercial banks</td>
<td>723069703</td>
<td>−.3</td>
<td>Through 1997:Q4, level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-D, Commercial paper in domestic offices (RCON3539). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Quarterly values for the series are zero beginning 1998:Q1 for levels and 1998:Q2 for flows; the series is now included with other items in the quarterly Report of Condition.</td>
</tr>
<tr>
<td>45. Change in outstanding other loans and advances to the households and nonprofit organizations sector</td>
<td>153169005</td>
<td>18.1</td>
<td>Sum of lines 45a, 45b, 45c, and 45d; plus the change in outstanding loans to the households and nonprofit organizations sector held by Sallie Mae (line 45e net of lines 45f, 45g, and 45h, and net of 50 percent of line 45i; Sallie Mae is part of the government-sponsored enterprises sector).</td>
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</table>
### Table F.100—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
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</thead>
<tbody>
<tr>
<td>45a. Change in loans to the households and nonprofit organizations sector, excluding loans on federal government life insurance policies, held by the federal government</td>
<td>153169203</td>
<td>11.4</td>
<td>Level from unpublished Treasury Report on Receivables Due from the Public, Total Loan Receivables by Selected Entities, column Total loans receivable, Department of the Interior, Bureau of Indian Affairs, sum of Guaranteed loans and Direct loans; plus PBGC, PBGC fund; plus Department of State, All other combined; plus VA, sum of Veterans Benefits Administration, All other combined, and Housing Credit Assistance, Active vendee loans (direct), Housing loan guarantees, and All other combined; plus FDIC, sum of Bank insurance fund and FSLIC resolution fund; plus FEMA, All other combined; plus SBA, 50 percent of Disaster loan fund accounts; plus HHS, sum of Health Resources and Services Administration, Health professions graduate student loan insurance accounts, Health professions graduate student loan financing account, and Medical facilities guarantee and loan fund, and Health Care Financing Administration, HMO loan fund; plus HUD, sum of Housing Programs, Flexible subsidy fund, 50 percent of FHA Title I (account 40701), 5 percent of FHA Title I (account 40702), 5 percent of FHA Title I (account 40703), and Housing for the elderly or handicapped fund, and Community Planning and Development, 50 percent of Revolving fund liquidating programs and 50 percent of Community development loans; plus Department of Education, Office of Postsecondary Education, sum of 70 percent of Higher education facilities loans, 70 percent of College housing loans, 23 percent of Guaranteed student loan accounts—assigned (account 42510), 15 percent of Guaranteed student loan accounts—assigned (account 42512), 70 percent of College housing and academic facilities loans, Federal direct student loan program, and Federal student loan insurance fund. The value for the series for each quarter is an average for the most recent four quarters of the figures calculated by the above method. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>Component</td>
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<tr>
<td>45b. Change in loans on federal government life insurance policies to the households and nonprofit organizations sector (assets of the federal government)</td>
<td>313069403</td>
<td>*</td>
<td>Year-end level from annual publication Actuarial Analysis of Operations for Life Insurance Programs Administered by the Department of Veterans Affairs, sum of Policy loan assets of U.S. government life insurance fund, National service life insurance fund, Veterans special life insurance fund, Service-disabled veterans insurance fund, and Veterans reopened insurance fund. Data are annual; series is converted to quarterly by K-L method. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>45c. Change in loans on life insurance policies to the households and nonprofit organizations sector held by life insurance companies</td>
<td>543069403</td>
<td>3.2</td>
<td>Beginning 1997:Q4, level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for life, accident, and health insurance companies. Year-end level is the sum of Annual Statement, table Assets, line 5, Policy loans, and Separate Accounts Statement, table Assets, line 5, Policy loans. Level for other quarters is the sum of Quarterly Statement, table Assets, line 5, Policy loans, and FOF Section estimate of policy loans held in separate accounts. Before 1997:Q4, level from Distribution of Investments of U.S. Life Insurance Companies, column Combined account, Policy loans. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>45d. Change in student loans sold by Sallie Mae (government-sponsored enterprises sector) to issuers of asset-backed securities</td>
<td>673069153</td>
<td>7.8</td>
<td>Level from Sallie Mae, Information Statement, Notes to Consolidated Financial Statements, note 9, Student loan securitization. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. These loans are liabilities of the households and nonprofit organizations sector.</td>
</tr>
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<td>Component</td>
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</tr>
<tr>
<td>45e. Change in student loans held by Sallie Mae (government-sponsored</td>
<td>403069153</td>
<td>-5.3</td>
<td>Level from Sallie Mae, Information Statement, Consolidated Balance Sheets, sum of Insured student loans purchased, Student loan participations, Insured student loans, Warehousing advances, and Academic facilities financings. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>enterprises sector)</td>
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</tr>
<tr>
<td>45f. Change in warehousing advances to U.S.-chartered commercial banks</td>
<td>723169403</td>
<td>-0.9</td>
<td>Level from Sallie Mae, Information Statement, Notes to Consolidated Financial Statements, note 4, Warehousing advances, Commercial banks. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>held by Sallie Mae (government-sponsored enterprises sector)</td>
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</tr>
<tr>
<td>45g. Change in warehousing advances to savings institutions held by Sallie</td>
<td>443169403</td>
<td>0.0</td>
<td>Level from Sallie Mae, Information Statement, Notes to Consolidated Financial Statements, note 4, Warehousing Advances, Thrift institutions. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>Mae (government-sponsored enterprises sector)</td>
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<tr>
<td>45h. Change in warehousing advances to state and local government</td>
<td>403062073</td>
<td>0.1</td>
<td>Level from Sallie Mae, Information Statement, Notes to Consolidated Financial Statements, note 4, Warehousing Advances, Public sector agencies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>agencies held by Sallie Mae (government-sponsored enterprises sector)</td>
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</tr>
<tr>
<td>45i. Change in loans to nonprofit organizations and to state and</td>
<td>403069163</td>
<td>-0.1</td>
<td>Level from Sallie Mae, Information Statement, Consolidated Balance Sheets, Academic facilities financings. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>local government agencies held by Sallie Mae (government-sponsored</td>
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<td>enterprises sector) to finance construction of academic facilities</td>
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## F.100 Households and Nonprofit Organizations—Continued

<table>
<thead>
<tr>
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<tr>
<td><strong>46. Change in commercial mortgage debt of nonprofit organizations</strong></td>
<td>153165505</td>
<td>4.3</td>
<td>Line 46a less 50 percent of the change in other bank loans to the households and nonprofit organizations sector (sum of lines 44a and 44d less lines 441, 44m, and 44n, and less the change in commercial paper issued by nondepository financial institutions and held by U.S.-chartered commercial banks, estimated as 40 percent of line 44o). Bank holdings of this commercial paper are included with the loans shown in line 44a in quarterly Reports of Condition submitted by the banks.</td>
</tr>
<tr>
<td>46a. Change in mortgages and other notes payable owed by nonprofit organizations</td>
<td>153165803</td>
<td>9.0</td>
<td>Year-end level from SOI Bulletin, annual article Charities and Other Tax-Exempt Organizations, table 3, Form 990 Returns of Organizations Tax-Exempt under Internal Revenue Code Sections 501(c)(3)–(9): Selected Income Statement and Balance Sheet Items, by Code Section, Mortgages and other notes payable. Data are annual; series is converted to quarterly by K-L method. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td><strong>47. Change in security credit owed by the households and nonprofit organizations sector</strong></td>
<td>153167205</td>
<td>36.8</td>
<td>Line 47a less line 47b.</td>
</tr>
<tr>
<td>47a. Change in security credit to customers held by security brokers and dealers</td>
<td>663067203</td>
<td>36.8</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports, sum of Receivables from customers (series F820) and Receivables from noncustomers (F830). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>47b. Change in security credit owed to U.S. lenders by the rest of the world</td>
<td>263167003</td>
<td>0.0</td>
<td>Level from FR Bulletin, former statistical section International Capital Transactions of the U.S., table 18, Foreign Credit and Debit Balances in Brokerage Accounts, column Debit balances (due from foreigners). Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1976:Q2 for levels and 1976:Q3 for flows; it is assumed that the data are now included with trade payables. For earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>Component</td>
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<tr>
<td>48. Change in trade payables owed by nonprofit organizations</td>
<td>153170003</td>
<td>7.9</td>
<td>Year-end level from SOI Bulletin, article Charities and Other Tax-Exempt Organizations, table 3, Form 990 Returns of Organizations Tax-Exempt under Internal Revenue Code Sections 501(c)(3)−(9), Accounts payable. Data are annual; series is converted to quarterly by K-L method. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>49. Change in deferred and unpaid life insurance premiums owed to life insurance companies by the households and nonprofit organizations sector</td>
<td>543077003</td>
<td>−4.8</td>
<td>Level from Life Insurance Fact Book, section Life Insurance Company Assets, table Miscellaneous Assets, column Due and deferred premiums. Data are annual; series is converted to quarterly by ratio method, using reported other assets of life insurance companies (FOF series 543090003, table F.117, line 17a) as the denominator. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>50. Discrepancy for the households and nonprofit organizations sector, equal to gross saving less gross investment</td>
<td>157005005</td>
<td>34.5</td>
<td>Sum of lines 9 and 39, less lines 11 and 16. The discrepancy is a use of funds in the FOF accounts.</td>
</tr>
<tr>
<td>51. Fixed residential investment by the households and nonprofit organizations sector</td>
<td>155012005</td>
<td>282.4</td>
<td>Same as line 12.</td>
</tr>
<tr>
<td>52. Consumption of fixed residential capital by the households and nonprofit organizations sector, with residential structures valued at current cost</td>
<td>156300205</td>
<td>98.7</td>
<td>Sum of lines 8b, 8c, and 8d.</td>
</tr>
<tr>
<td>53. Net investment in residential structures by the households and nonprofit organizations sector</td>
<td>155012065</td>
<td>183.7</td>
<td>Line 51 less line 52.</td>
</tr>
<tr>
<td>54. Change in home mortgage debt of the households and nonprofit organizations sector</td>
<td>153165105</td>
<td>261.9</td>
<td>Same as line 41.</td>
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### F.100 Households and Nonprofit Organizations—Continued

<table>
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<tr>
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<tbody>
<tr>
<td>55. Excess net investment in residential structures by the households and nonprofit organizations sector</td>
<td>155004205</td>
<td>-78.2</td>
<td>Line 53 less line 54.</td>
</tr>
<tr>
<td>56. Investment in consumer durable goods by households</td>
<td>155011001</td>
<td>673.1</td>
<td>Same as line 13.</td>
</tr>
<tr>
<td>57. Consumption of fixed consumer durable goods capital by households, with consumer durable goods valued at current cost</td>
<td>156300103</td>
<td>503.8</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A18, Durable Goods Owned by Consumers, by Type of Goods, Current-Cost Valuation, Depreciation, Total, all types (series M1CTOTL1EQ00; revisions and updates provided by BEA). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>58. Net investment in consumer durable goods by households</td>
<td>155011065</td>
<td>169.2</td>
<td>Line 56 less line 57; also equal to line 7.</td>
</tr>
<tr>
<td>59. Change in consumer credit liabilities of households</td>
<td>153166000</td>
<td>52.5</td>
<td>Same as line 42.</td>
</tr>
<tr>
<td>60. Excess net investment in consumer durable goods by the households and nonprofit organizations sector</td>
<td>155004105</td>
<td>116.7</td>
<td>Line 58 less line 59.</td>
</tr>
</tbody>
</table>
Table F.101  Nonfinancial Business

Nonfinancial business in the flow of funds accounts comprises three sectors: nonfarm nonfinancial corporate business, nonfarm noncorporate business, and farm business. Each of these sectors is described in the introduction to its separate table. This table shows the details of gross saving and gross investment for the three sectors combined. Income before taxes is shown (line 1) for information purposes only; it does not enter directly into the calculation of other items that appear in the table. For the two unincorporated sectors (nonfarm noncorporate business and farm business), proprietors’ net investment is calculated as a residual, so neither sector has a discrepancy; therefore, the discrepancy for nonfinancial business equals the discrepancy for the nonfarm nonfinancial corporate business sector.
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(1) Combined statement for nonfarm nonfinancial corporate business, nonfarm noncorporate business, and farm business.
### F.101 Nonfinancial Business

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<td>1. Income before taxes of nonfinancial business</td>
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<td>1a. Profits before tax, at book value, originating from domestic operations of nonfarm nonfinancial corporate business</td>
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<td>1b. Net income of nonfarm noncorporate business, with inventory valuation and capital consumption adjustments</td>
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<td>1c. Farm proprietors’ net income, with inventory valuation and capital consumption adjustments</td>
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<td>2. Gross saving of nonfinancial business</td>
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<td>8a. Change in inventories, with inventory valuation adjustment (current cost of inventory change), of nonfarm nonfinancial corporate business</td>
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<td>8b. Change in inventories of nonfarm noncorporate business</td>
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<td>8c. Change in inventories of farm business</td>
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<td>11. Net acquisition of financial assets by nonfinancial business</td>
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<td>11b. Net acquisition of financial assets by nonfarm noncorporate business</td>
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<td>12. Change in foreign deposits held by nonfarm nonfinancial corporate business</td>
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<td>13. Change in checkable deposits and currency held by nonfinancial business</td>
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<td>13c. Change in checkable deposits and currency held by farm business</td>
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<td>14. Change in time and savings deposits held by nonfinancial business</td>
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<td>17. Change in credit market assets of nonfarm nonfinancial business</td>
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<td>Sum of lines 18, 19, 20, 21, and 22.</td>
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<td>18. Change in commercial paper held by nonfarm nonfinancial corporate business</td>
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<td>22. Change in consumer credit held by nonfarm nonfinancial business</td>
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<td>22a. Change in consumer credit held by nonfarm nonfinancial corporate business</td>
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<td>23. Net purchases of mutual fund shares by nonfarm nonfinancial corporate business</td>
<td>103064203</td>
<td>3.0</td>
<td>Table F.102, line 27.</td>
</tr>
<tr>
<td>24. Change in trade receivables held by nonfinancial business</td>
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<tr>
<td>24a. Change in trade receivables held by nonfarm nonfinancial corporate business</td>
<td>103070005</td>
<td>32.0</td>
<td>Table F.102, line 26.</td>
</tr>
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<td>24b. Change in trade receivables held by nonfarm noncorporate business</td>
<td>113070003</td>
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<td>Table F.103, line 15.</td>
</tr>
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<td>25. Change in total miscellaneous assets of nonfinancial business</td>
<td>143090005</td>
<td>275.1</td>
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<td>25a. Change in total miscellaneous assets of nonfarm nonfinancial corporate business</td>
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<td>254.8</td>
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<td>25b. Change in total miscellaneous assets of nonfarm noncorporate business</td>
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<td>Table F.103, line 16.</td>
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<td>25c. Change in total miscellaneous assets of farm business</td>
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<td>4.4</td>
<td>Table F.104, line 14.</td>
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<td>26. Net increase in liabilities of nonfinancial business</td>
<td>144190005</td>
<td>464.8</td>
<td>Sum of lines 26a, 26b, and 26c.</td>
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<td>26a. Net increase in liabilities of nonfarm nonfinancial corporate business</td>
<td>104190005</td>
<td>355.1</td>
<td>Table F.102, line 34.</td>
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<td>26b. Net increase in liabilities of nonfarm noncorporate business</td>
<td>114190005</td>
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<td>Table F.103, line 20.</td>
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<td>26c. Net increase in liabilities of farm business</td>
<td>134190005</td>
<td>11.6</td>
<td>Table F.104, line 17.</td>
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<tr>
<td>27. Change in credit market debt of nonfinancial business</td>
<td>144104005</td>
<td>334.8</td>
<td>Sum of lines 28, 29, 30, 31, 32, and 33.</td>
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<td>28. Change in commercial paper liabilities of nonfarm nonfinancial corporate business</td>
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<td>Table F.102, line 38.</td>
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<td>29. Change in outstanding municipal securities issued on behalf of, and owed by, nonfarm nonfinancial corporate business (industrial revenue bonds)</td>
<td>103162005</td>
<td>4.2</td>
<td>Table F.102, line 39.</td>
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<td>30. Change in corporate bond liabilities of nonfarm nonfinancial corporate business, including securities sold by Netherlands Antillean financial subsidiaries</td>
<td>103163003</td>
<td>90.7</td>
<td>Table F.102, line 40.</td>
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<td>31. Change in outstanding bank loans, not elsewhere classified, to nonfinancial business</td>
<td>143168005</td>
<td>98.4</td>
<td>Sum of lines 31a, 31b, and 31c.</td>
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<td>31a. Change in bank loans, not elsewhere classified, to nonfarm nonfinancial corporate business</td>
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<td>73.2</td>
<td>Table F.102, line 41.</td>
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<td>31b. Change in outstanding bank loans, not elsewhere classified, to nonfarm noncorporate business</td>
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<td>21.7</td>
<td>Table F.103, line 22.</td>
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<td>31c. Change in outstanding bank loans, not elsewhere classified, to farm business</td>
<td>133168000</td>
<td>3.5</td>
<td>Table F.104, line 19.</td>
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<td>32. Change in outstanding other loans and advances to nonfinancial business</td>
<td>143169255</td>
<td>51.8</td>
<td>Sum of lines 32a, 32b, and 32c.</td>
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<td>32a. Change in outstanding other loans and advances to nonfarm nonfinancial corporate business</td>
<td>103169255</td>
<td>48.0</td>
<td>Table F.102, line 42.</td>
</tr>
<tr>
<td>32b. Change in outstanding other loans and advances to nonfarm noncorporate business</td>
<td>113169005</td>
<td>4.2</td>
<td>Table F.103, line 23.</td>
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<td>32c. Change in outstanding other loans and advances to farm business</td>
<td>133169005</td>
<td>-.5</td>
<td>Table F.104, line 20.</td>
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<td>33. Change in mortgage debt of nonfinancial business</td>
<td>143165005</td>
<td>76.0</td>
<td>Sum of lines 33a, 33b, and 33c.</td>
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### F.101 Nonfinancial Business—Continued

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<tr>
<th>Component</th>
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<th>Explanation</th>
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<tr>
<td>33a. Change in mortgage debt of nonfarm nonfinancial corporate business</td>
<td>103165005</td>
<td>35.2</td>
<td>Table F.102, line 49.</td>
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<tr>
<td>33b. Change in mortgage debt of nonfarm noncorporate business</td>
<td>113165003</td>
<td>37.5</td>
<td>Table F.103, line 24.</td>
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<tr>
<td>33c. Change in farm mortgages (liabilities of farm business)</td>
<td>893065603</td>
<td>3.3</td>
<td>Table F.104, line 21.</td>
</tr>
<tr>
<td>34. Net issuance of equities by nonfarm nonfinancial corporate business</td>
<td>103164003</td>
<td>-114.4</td>
<td>Table F.102, line 36.</td>
</tr>
<tr>
<td>35. Change in trade payables owed by nonfinancial business</td>
<td>143170005</td>
<td>73.4</td>
<td>Sum of lines 35a, 35b, and 35c.</td>
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<tr>
<td>35a. Change in trade payables owed by nonfarm nonfinancial corporate business</td>
<td>103170005</td>
<td>64.3</td>
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<td>35b. Change in trade payables owed by nonfarm noncorporate business</td>
<td>113170003</td>
<td>7.7</td>
<td>Table F.103, line 25.</td>
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<td>35c. Change in trade payables owed by farm business</td>
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<td>36. Change in taxes payable by nonfinancial business</td>
<td>143178005</td>
<td>9.1</td>
<td>Sum of lines 36a and 36b.</td>
</tr>
<tr>
<td>36a. Change in taxes payable by nonfarm nonfinancial corporate business</td>
<td>103178000</td>
<td>7.8</td>
<td>Table F.102, line 51.</td>
</tr>
<tr>
<td>36b. Change in taxes payable by nonfarm noncorporate business</td>
<td>113178203</td>
<td>1.3</td>
<td>Table F.103, line 26.</td>
</tr>
<tr>
<td>37. Change in total miscellaneous liabilities of nonfinancial business</td>
<td>143190005</td>
<td>139.3</td>
<td>Sum of lines 37a and 37b.</td>
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<tr>
<td>37a. Change in total miscellaneous liabilities of nonfarm nonfinancial corporate business</td>
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<td>132.5</td>
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<tr>
<td>37b. Change in total miscellaneous liabilities of nonfarm noncorporate business</td>
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<td>6.8</td>
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**Component**  

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<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tr>
<td><strong>38. Proprietors’ net investment in nonfinancial farm and nonfarm noncorporate business</strong></td>
<td>143180005</td>
<td>22.7</td>
<td>Sum of lines 38a and 38b.</td>
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<tr>
<td>38a. Proprietors’ net investment in nonfarm noncorporate business</td>
<td>113180005</td>
<td>18.9</td>
<td>Table F.103, line 28.</td>
</tr>
<tr>
<td>38b. Proprietors’ net investment in noncorporate farm business</td>
<td>133180005</td>
<td>3.9</td>
<td>Table F.104, line 23.</td>
</tr>
<tr>
<td><strong>39. Discrepancy for nonfarm nonfinancial corporate business, equal to gross saving less gross investment</strong></td>
<td>107005005</td>
<td>−3.2</td>
<td>Table F.102, line 56; also equal to line 2 less line 3.</td>
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</table>
Table F.102  Nonfarm Nonfinancial Corporate Business

The nonfarm nonfinancial corporate business sector comprises all private domestic corporations except corporate farms, which are part of the farm business sector, and financial institutions, which are shown in other tables; it includes holding companies (through consolidated reporting), S-corporations, and real estate management corporations. The sector is the largest component of the total nonfinancial business sector, alone accounting for roughly half of all net private investment in the U.S. economy; together, entities that make up the sector had well over $3 trillion of credit market debt outstanding at the end of 1997 in the form of bonds, mortgages, commercial paper, and loans from banks and nonbank financial intermediaries.

This table covers only the domestic activities of nonfarm nonfinancial corporations; it does not include the financial transactions of foreign subsidiaries of U.S. corporations. Therefore, earnings from the operations of foreign subsidiaries and foreign branches of U.S. corporations are reflected only in profit elements—either as earnings retained abroad or as dividends received. In symmetric fashion, the results of the operations of foreign corporations in the U.S. are included in the table, with earnings retained in the U.S. and dividends paid to U.S. stockholders being offset against the items' respective counterparts for U.S. corporations. Also, in a corollary way, changes in the foreign capital account positions are included in the table, with changes in the financial assets of the sector shown as foreign direct investment abroad and changes in the liabilities of the sector shown as foreign direct investment in the U.S.

Information on the nonfarm nonfinancial corporate business sector is obtained from a variety of sources. Data on investment and depreciation, as well as on corporate profits and other elements of cash flow, are taken from the national income and product accounts published in the Survey of Current Business. Information on credit market debt is obtained from securities markets reports, industry trade association releases, commercial bank reports of condition, and finance company surveys. An important source of information for all assets and for non-credit-market liabilities, such as trade payables, is the Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations, published by the Bureau of the Census. In addition, the sector's assets and liabilities are benchmarked to annual data for corporations that appear in the Statistics of Income Corporation Source Book, published by the Internal Revenue Service.
<table>
<thead>
<tr>
<th>F.102 Nonfarm Nonfinancial Corporate Business</th>
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<tbody>
<tr>
<td>Billions of dollars</td>
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<tr>
<td>Profits before tax (book)</td>
<td>256.6</td>
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<tr>
<td>Profits tax accruals</td>
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<td>Dividends</td>
<td>132.4</td>
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<tr>
<td>Consumption of fixed capital</td>
<td>373.7</td>
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<tr>
<td>U.S. internal funds, book</td>
<td>407.3</td>
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<tr>
<td>Foreign earnings retained abroad</td>
<td>41.5</td>
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<tr>
<td>Inventory valuation adjustment (IVA)</td>
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<tr>
<td>Total internal funds + IVA</td>
<td>441.2</td>
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<td>Capital expenditures</td>
<td>385.4</td>
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<td>Fixed investment (I)</td>
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<td>Inventory change + IVA</td>
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<td>Access rights from federal government</td>
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<td>Net financial investment</td>
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<tr>
<td>Foreign deposits</td>
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<td>Checkable deposits and currency</td>
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<td>Time and savings deposits</td>
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<td>Money market fund shares</td>
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<td>Security RP</td>
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<td>Commercial paper</td>
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<td>U.S. government securities</td>
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<td>Consumer credit</td>
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<td>Trade receivables</td>
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<tr>
<td>U.S. direct investment abroad (2)</td>
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<tr>
<td>Insurance receivables</td>
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<tr>
<td>Equity in GSEs</td>
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<tr>
<td>Investment in finance co. subs.</td>
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<td>Other</td>
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### F.102 Nonfarm Nonfinancial Corporate Business—Continued

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<td>35 FA104102005</td>
<td>Net funds raised in markets</td>
<td>74.1</td>
<td>73.4</td>
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<td>107.2</td>
<td>150.6</td>
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<td>36 FA103164003</td>
<td>Net new equity issues</td>
<td>27.0</td>
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<td>Municipal securities (3)</td>
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<td>3.1</td>
<td>3.1</td>
<td>4.2</td>
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<td>Corporate bonds (2)</td>
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<td>72.5</td>
<td>23.3</td>
<td>73.3</td>
<td>72.5</td>
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<td>1.5</td>
<td>1.8</td>
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<td>8.1</td>
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<td>-1.3</td>
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<td>Acceptance liabilities to banks</td>
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<td>Mortgages</td>
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<td>Trade payables</td>
<td>33.4</td>
<td>36.4</td>
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<td>81.0</td>
<td>55.0</td>
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<td>51 FA103178000</td>
<td>Taxes payable</td>
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<td>5.4</td>
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<td>-0.0</td>
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<td>52 FA103190005</td>
<td>Miscellaneous liabilities</td>
<td>47.4</td>
<td>102.7</td>
<td>66.4</td>
<td>131.4</td>
<td>197.2</td>
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<td>Foreign direct investment in U.S.</td>
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<td>53.5</td>
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<td>Pension fund contributions payable</td>
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<td>Other</td>
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<td>56 FA107005005</td>
<td>Discrepancy</td>
<td>64.7</td>
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<td>1.2</td>
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<td>Trade receivables net of trade payables</td>
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<td>-32.3</td>
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<td>58 FA105005305</td>
<td>Financing gap (4)</td>
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<td>28.9</td>
<td>74.3</td>
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</tbody>
</table>

**Analytical measures (percent)**

| 59 FA106000305 | Capital outlays (5)/U.S. internal funds | 96.5 | 103.0 | 100.9 | 103.8 | 105.0 | 112.3 |
| 60 FA105050205 | Credit market borrowing/capital outlays (5) | 12.0 | 11.5 | 27.1 | 40.2 | 28.5 | 39.2 |
| 61 FA104104005 | Net funds raised/credit market borrowing | 157.4| 140.9| 68.7 | 75.4 | 62.6 | 56.8 |

(1) Nonresidential plant and equipment plus residential construction, shown on table F.6, lines 9 and 15, respectively.
(2) Through 1992Q4, corporate bonds include net issues by Netherlands Antillean financial subsidiaries, and U.S. direct investment abroad excludes net inflows from those bond issues.
(3) Industrial revenue bonds. Issued by state and local governments to finance private investment and secured in interest and principal by the industrial user of the funds.
(4) Capital outlays (line 10) less the sum of U.S. internal funds (line 5) and inventory valuation adjustment (line 7).
(5) Capital outlays equal capital expenditures (line 10) less inventory valuation adjustment (line 7).
## F.102 Nonfarm Nonfinancial Corporate Business

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Profits before tax, at book value, originating from domestic operations of nonfarm nonfinancial corporate business</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1a. Undistributed profits of corporate business, excluding inventory valuation and capital consumption adjustments, at book value</td>
<td>096006001</td>
<td>213.2</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.14, line 26, Undistributed profits. Unadjusted flow equal to unadjusted flow for corporate profits after tax, from SCB, NIPA table 9.6, line 4, Profits after tax, less seasonally adjusted flow for corporate dividend payments (FOF series 096120001, line 1b below) at quarterly rate. For recent quarters, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>1b. Dividends paid by corporate business</td>
<td>096120001</td>
<td>275.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.14, line 25, Dividends. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>1c. Corporate profit tax liabilities owed to state and local and federal governments</td>
<td>096231001</td>
<td>246.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.14, line 23, Corporate profits tax liability. Unadjusted flow from SCB, NIPA table 9.6, line 3, Corporate profits tax liability. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>1d. Undistributed profits of corporate farms, at book value</td>
<td>136006003</td>
<td>-1.0</td>
<td>Annual flow from SCB, NIPA table 6.21C, line 4, Undistributed corporate profits of farms. Series is converted to seasonally adjusted quarterly flow by ratio method, using undistributed profits of corporate business, excluding inventory valuation and capital consumption adjustments, at book value (FOF series 096006001, line 1a above) as the denominator. Data for farms for the most recent two years estimated by multiplying total for Agriculture, forestry, and fishing (SCB, NIPA table 6.21C, line 3) by farm proportion of total for latest year available. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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## F.102 Nonfarm Nonfinancial Corporate Business—Continued

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<tr>
<td>1e. Dividends paid by corporate farms</td>
<td>136120003</td>
<td>1.3</td>
<td>Annual flow from SCB, NIPA table 6.20C, line 4, Net corporate dividends of farms. Series is converted to seasonally adjusted quarterly flow by ratio method, using dividends paid by corporate business (FOF series 096120001, line 1b above) as the denominator. Data for farms not available for most recent two years; estimated by multiplying total for Agriculture, forestry, and fishing (SCB, NIPA table 6.20C, line 3) by farm proportion of total for latest year available. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>1f. Tax liabilities of corporate farms</td>
<td>136231003</td>
<td>.5</td>
<td>Annual flow from SCB, NIPA table 6.18C, line 4, Corporate profits tax liability of farms. Series is converted to seasonally adjusted quarterly flow by ratio method, using corporate profit tax liabilities owed to federal and state and local governments (FOF series 096231001, line 1c above) as the denominator. Data for farms not available for most recent two years; estimated by multiplying total for Agriculture, forestry, and fishing (SCB, NIPA table 6.18C, line 3) by farm proportion of total for latest year available. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>1g. Earnings received from foreign subsidiaries by U.S. corporations</td>
<td>266120001</td>
<td>40.4</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.14, line 25, Dividends paid by all corporations, less NIPA table 1.16, line 13, Dividends paid by domestic corporations. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>1h. Undistributed profits of financial corporations, at book value</td>
<td>796006001</td>
<td>48.2</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.16, line 14, Undistributed profits of corporate business, less line 32, Undistributed profits of nonfinancial corporate business. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>1i. Dividends paid by financial corporations</td>
<td>796120001</td>
<td>5.4</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.16, line 13, Dividends paid by all corporate business, less line 31, Dividends paid by nonfinancial corporate business. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>lj. Tax liabilities of financial corporations</td>
<td>796231001</td>
<td>76.3</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.16, line 11. Profits tax liability of all corporate business, less line 29, Profits tax liability of nonfinancial corporate business. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>2. Profit tax accruals for nonfarm nonfinancial corporate business</td>
<td>106231005</td>
<td>169.2</td>
<td>Line 1c less lines 1f and 1j.</td>
</tr>
<tr>
<td>3. Dividends paid by nonfarm nonfinancial corporate business</td>
<td>106120005</td>
<td>228.0</td>
<td>Line 1b less lines 1e, 1g, and 1i.</td>
</tr>
<tr>
<td>4. Capital consumption allowances for nonfarm nonfinancial corporate business (consumption of fixed capital plus capital consumption adjustment)</td>
<td>106300015</td>
<td>494.2</td>
<td>Consumption of fixed capital (equal to line 4a net of line 4b) plus capital consumption adjustment (equal to line 4c net of lines 4d and 4e).</td>
</tr>
<tr>
<td>4a. Consumption of fixed capital by nonfinancial corporate business, including corporate farms</td>
<td>106300053</td>
<td>415.4</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.16, line 20. Consumption of fixed capital by nonfinancial corporate business. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>4b. Capital consumption allowances for corporate farms</td>
<td>136300183</td>
<td>2.8</td>
<td>Annual flow from SCB, NIPA table 6.22C, line 3. Corporate capital consumption allowances for farms. Series is converted to seasonally adjusted quarterly flow by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Data for farms not available for most recent two years; estimated by multiplying total for Agriculture, forestry, and fishing (SCB, NIPA table 6.22C, line 2) by farm proportion of total for latest year available. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>4c. Capital consumption adjustment for corporate business</td>
<td>096310003</td>
<td>76.7</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.14, line 28. Capital consumption adjustment for corporations. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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## F.102 Nonfarm Nonfinancial Corporate Business—Continued

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<td>4d. Capital consumption adjustment for corporate farms</td>
<td>136310103</td>
<td>.3</td>
<td>Annual flow from SCB, NIPA table 6.22C, line 3, Corporate capital consumption allowances for farms (data for most recent two years estimated as farm proportion, for latest year available, of SCB, NIPA table 6.22C, line 2, Agriculture, forestry, and fishing), less consumption of fixed capital by farm corporations (SCB, NIPA table 8.8, line 15, Consumption of fixed capital by the farm sector, net of SCB, table 8.12, line 7, Consumption of fixed capital by farm sole proprietorships and partnerships). Series is converted to seasonally adjusted quarterly flow by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>4e. Capital consumption adjustment for financial corporations</td>
<td>796310003</td>
<td>−5.3</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.16, line 16, Capital consumption adjustment for corporate business, less line 34, Capital consumption adjustment for nonfinancial corporate business. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>5. U.S. internal funds (domestic cash flow) of nonfarm nonfinancial corporate business, at book value</td>
<td>106000305</td>
<td>601.6</td>
<td>Line 1 less lines 2 and 3, plus line 4.</td>
</tr>
<tr>
<td>6. Foreign earnings of nonfarm nonfinancial corporate business retained abroad</td>
<td>266006001</td>
<td>58.7</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.14, line 26, Undistributed profits of all corporations, less NIPA table 1.16, line 14, Undistributed profits of domestic corporations. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>7. Inventory valuation adjustment for nonfarm nonfinancial corporate business</td>
<td>105020601</td>
<td>6.9</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.16, line 33, Inventory valuation adjustment for nonfinancial corporate business. Unadjusted flow from SCB, NIPA table 9.6, Inventory valuation adjustment. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<tr>
<td>8. Internal funds of nonfarm nonfinancial corporate business, after inventory valuation adjustment</td>
<td>106000105</td>
<td>667.1</td>
<td>Sum of lines 5, 6, and 7.</td>
</tr>
<tr>
<td>9. Gross investment by nonfarm nonfinancial corporate business</td>
<td>105090005</td>
<td>670.3</td>
<td>Sum of lines 10 and 14.</td>
</tr>
<tr>
<td>10. Capital expenditures of nonfarm nonfinancial corporate business</td>
<td>105050005</td>
<td>682.7</td>
<td>Sum of lines 11, 12, and 13.</td>
</tr>
<tr>
<td>11. Fixed investment by nonfarm nonfinancial corporate business</td>
<td>105019005</td>
<td>615.7</td>
<td>Sum of lines 11a and 11b.</td>
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<tr>
<td>11a. Fixed residential investment by nonfarm nonfinancial corporate business</td>
<td>105012003</td>
<td>2.5</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B7, Residential Capital, by Type of Owner, Legal Form of Organization, and Industry, Historical-Cost Valuation, Private, Corporate (assumed to be all nonfinancial corporate) (series I3RFJ652ES00; revisions and updates provided by BEA). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using fixed residential investment by private sectors (FOF series 195012001, table F.8, line 21) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>11b. Fixed nonresidential investment by nonfarm nonfinancial corporate business</td>
<td>105013003</td>
<td>613.2</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A8. Fixed Nonresidential Private Capital, by Legal Form of Organization and Major Industry Group, Historical-Cost Valuation, Net stock, sum of Equipment for nonfinancial corporations, change in amount outstanding (unpublished detail, series K3NNOFI1EQ00; revisions and updates provided by BEA), and Structures for nonfinancial corporations, change in amount outstanding (K3NNOFI2ST00), plus Depreciation for equipment (M3NNOFI2EQ00) and for structures (M3NNOFI2ST00) for nonfinancial corporations; less Investment in producers’ durable equipment by farm corporations (SCB, NIPA table 5.8, sum of line 26, Agricultural machinery, except tractors, and a percentage of line 25, Tractors, with the percentage equal to the ratio of purchases of farm tractors, series 3IHI Y3NTOTL1E020, to purchases of all tractors, 3IHI Y3NTOTL1E021—both series published on the BEA STAT-USA Internet site; annual ratio used for all four quarters in year—net of Investment by noncorporate farms in equipment, 13NAG014EQ00); and less Investment in nonresidential structures by farm corporations (SCB, NIPA table 5.6, line 19, Farm purchases of nonresidential structures, net of Investment by noncorporate farms in nonresidential structures, 13NAG014ST00). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures portion and investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment portion. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Unpublished quarterly data for farm purchases of equipment and structures are provided by BEA.</td>
</tr>
<tr>
<td>12. Change in inventories, with inventory valuation adjustment (current cost of inventory change), of nonfarm nonfinancial corporate business</td>
<td>105020005</td>
<td>59.9</td>
<td>Line 12a less line 12b.</td>
</tr>
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<tr>
<td>12a. Change in inventories of nonfarm nonfinancial business</td>
<td>125020001</td>
<td>63.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 5.10, line 3, Change in nonfarm business inventories. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>12b. Change in inventories of nonfarm noncorporate business</td>
<td>115020003</td>
<td>3.2</td>
<td>Seasonally adjusted flow equal to SCB, NIPA table 5.10, line 3, Change in nonfarm business inventories, multiplied by the ratio of current-dollar inventories held by nonfarm noncorporate business (beginning 1989:Q1, estimated by FOF Section as 5 percent of SCB, NIPA table 5.12, line 3, Nonfarm inventories; previously, unpublished data provided by BEA) to current-dollar inventories held by all nonfarm business from NIPA table 5.12, line 3. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>13. Purchases of access rights from the federal government by nonfarm nonfinancial corporate business</td>
<td>105030003</td>
<td>7.1</td>
<td>Unadjusted flow from Monthly Treasury Statement, table 5, Outlays of the U.S. Government, Spectrum auction proceeds, sum for months in time period, plus SCB, table 3.18B, line 21, Net purchases of nonproduced assets, Outer Continental Shelf. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>14. Net financial investment by nonfarm nonfinancial corporate business</td>
<td>105000005</td>
<td>−12.4</td>
<td>Line 15 less line 34.</td>
</tr>
<tr>
<td>15. Net acquisition of financial assets by nonfarm nonfinancial corporate business</td>
<td>104090005</td>
<td>342.6</td>
<td>Sum of lines 16 through 21, 22, 23, 24, 25, 26, 27, and 28.</td>
</tr>
</tbody>
</table>
### F.102 Nonfarm Nonfinancial Corporate Business—Continued

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<tr>
<td>16. Change in foreign deposits held by nonfarm nonfinancial corporate business</td>
<td>103091003</td>
<td>-6.4</td>
<td>Beginning 1975:Q1, level from QFR, table 45.1, Deposits outside the U.S., multiplied by the most recent benchmark ratio equal to 1 plus the ratio of cash held by nonfarm nonfinancial corporations in the services industry reported in SOI Source Book, Corporation Income Tax Returns, Returns with and without net income, table Services, line 3, Cash, to QFR, table 16.1, Total cash on hand and in U.S. banks, for the same time period. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>17. Change in checkable deposits and currency held by nonfarm nonfinancial corporate business</td>
<td>103020000</td>
<td>23.5</td>
<td>Beginning 1975:Q1, level from QFR, table 16.1, Cash and demand deposits in the U.S., multiplied by the most recent benchmark ratio of cash held by nonfarm nonfinancial corporations reported in SOI Source Book, Corporation Income Tax Returns, Returns with and without net income, tables for nonfarm nonfinancial corporations, line 3, Cash, to the sum of QFR, table 16.1, Total cash on hand and in U.S. banks, and table 45.1, Deposits outside the U.S., for the same time period. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>18. Change in time and savings deposits held by nonfarm nonfinancial corporate business</td>
<td>103030003</td>
<td>6.3</td>
<td>Beginning 1975:Q1, level from QFR, table 16.1, Time deposits in the U.S., including negotiable certificates of deposit, multiplied by the most recent benchmark ratio of cash held by nonfarm nonfinancial corporations reported in SOI Source Book, Corporation Income Tax Returns, Returns with and without net income, tables for nonfarm nonfinancial corporations, line 3, Cash, less holdings of foreign deposits (FOF series 103091003, line 16 above), checkable deposits and currency (103020000, line 17 above), and money market mutual fund shares (103034003, line 19 below) by nonfarm nonfinancial corporations, to Time deposits in the U.S. from the QFR for the same time period. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>19. Change in money market mutual fund shares held by nonfarm nonfinancial corporate business</td>
<td>103034003</td>
<td>14.1</td>
<td>Year-end level from Mutual Fund Fact Book, Section 5, Institutional Investors, table Assets of Fiduciary, Business, and Institutional Investors in Taxable Money Market Funds, Business corporations; plus table Assets of Fiduciary, Business, and Institutional Investors in Tax-Exempt Money Market Funds, Business corporations. Data are annual; series is converted to quarterly and estimated for current periods on the basis of movements in institution-only money market mutual funds. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>20. Change in outstanding loans held by nonfarm nonfinancial corporate business under security repurchase agreements</td>
<td>102050003</td>
<td>.6</td>
<td>Beginning 1975:Q1, level from QFR, table 45.1, sum of U.S. Treasury securities subject to agreements to sell and Federal agency securities subject to agreements to sell, multiplied by the most recent benchmark ratio equal to 1 plus the ratio of total assets of nonfarm nonfinancial corporations in the services industry reported in SOI Source Book, Corporation Income Tax Returns, Returns with and without net income, table Services, line 2, Total assets, to QFR, table 16.1, Total assets, for the same time period. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>21. Change in commercial paper held by nonfarm nonfinancial corporate business</td>
<td>103069100</td>
<td>3.2</td>
<td>Beginning 1975:Q1, level from QFR, table 45.1, Commercial and finance company paper of U.S. issuers, multiplied by the most recent benchmark ratio equal to 1 plus the ratio of total assets of nonfarm nonfinancial corporations in the services industry reported in SOI Source Book, Corporation Income Tax Returns, Returns with and without net income, table Services, line 2, Total assets, to QFR, table 16.1, Total assets, for the same time period. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>22. Change in U.S. government securities held by nonfarm nonfinancial corporate business, excluding those securities held under repurchase agreements</td>
<td>103061005</td>
<td>-5.9</td>
<td>Sum of lines 22a and 22b.</td>
</tr>
</tbody>
</table>
### F.102 Nonfarm Nonfinancial Corporate Business—Continued

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<tr>
<td>22a. Change in U.S. Treasury securities held by nonfarm nonfinancial corporate business</td>
<td>103061103</td>
<td>10.6</td>
<td>Beginning 1975:Q1, level from QFR, sum of table 45.1, U.S. Treasury securities due in one year or less and U.S. Treasury securities due in more than one year, multiplied by the most recent benchmark ratio of investments in government obligations by nonfarm nonfinancial corporations reported in SOI Source Book, Corporation Income Tax Returns, Returns with and without net income, tables for nonfarm nonfinancial corporations, line 7, U.S. government obligations, total, to the sum of the two lines from the QFR cited above plus QFR, table 45.1, Federal agency securities due in one year or less and Federal agency securities due in more than one year, for the same time period. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>22b. Change in U.S. government agency securities held by nonfarm nonfinancial corporate business</td>
<td>103061703</td>
<td>-16.4</td>
<td>Beginning 1975:Q1, level from QFR, table 45.1, sum of Federal agency securities due in one year or less and Federal agency securities due in more than one year, multiplied by the most recent benchmark ratio of investments in government obligations by nonfarm nonfinancial corporations reported in SOI Source Book, Corporation Income Tax Returns, Returns with and without net income, tables for nonfarm nonfinancial corporations, line 7, U.S. government obligations, total, to the sum of the two lines from the QFR cited above plus QFR, table 45.1, U.S. Treasury securities due in one year or less and U.S. Treasury securities due in more than one year, for the same time period. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>23. Change in municipal securities held by nonfarm nonfinancial corporate business</td>
<td>103062003</td>
<td>8.3</td>
<td>Beginning 1989:Q1, year-end level from SOI Source Book, Corporation Income Tax Returns, Returns with and without net income, tables for nonfarm nonfinancial corporations, line 8, Tax-exempt securities. Levels for other quarters, including year-end quarters after latest issue of Source Book, from QFR, table 45.1, State and local government securities due in one year or less, multiplied by the most recent benchmark ratio of tax-exempt securities from the line from the SOI Source Book cited above to the line from the QFR cited above for the same time period. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>24. Change in mortgages held by nonfarm nonfinancial corporate business</td>
<td>103065003</td>
<td>8.0</td>
<td>Beginning 1975:Q1, year-end level from SOI Source Book, Corporation Income Tax Returns, Returns with and without net income, tables for nonfarm nonfinancial corporations, line 11, Mortgage and real estate loans, excluding those held by the motor vehicles and equipment industry. Levels for other quarters are estimated by a linear interpolation between the year-end levels, with judgmental estimate for current quarters. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>25. Change in consumer credit held by nonfarm nonfinancial corporate business</td>
<td>103066005</td>
<td>1.2</td>
<td>Line 25a less lines 25b through 25h.</td>
</tr>
<tr>
<td>25a. Change in consumer credit liabilities of households (households and nonprofit organizations sector)</td>
<td>153166000</td>
<td>52.5</td>
<td>Level from FR Board, Financial Institutions Section, monthly G.19 statistical release, Consumer Credit, table Consumer Credit Outstanding. Not seasonally adjusted, Total. Unadjusted flow is the change in the level; seasonally adjusted flow calculated by FOF Section using seasonal factors estimated by FR Board, Financial Institutions Section.</td>
</tr>
</tbody>
</table>
## F.102 Nonfarm Nonfinancial Corporate Business—Continued

<table>
<thead>
<tr>
<th>Component</th>
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<tbody>
<tr>
<td>25b. Change in consumer credit held by nonfarm noncorporate business</td>
<td>113066003</td>
<td>0.0</td>
<td>Through 1982:Q1, level equal to 0.75 multiplied by Noncorp multiplied by (1 – Captive) multiplied by retailer consumer credit, where Noncorp is the ratio of noncorporate business receipts to total business receipts derived from SOI data; Captive is the ratio of captive finance company consumer receivables to total retailer consumer credit calculated using data from the FR Board quinquennial survey of finance companies and from FR Board, Financial Institutions Section; and retailer consumer credit is as published in the FR Board monthly G.19 statistical release, Consumer Credit, table Consumer Credit Outstanding, Not seasonally adjusted, Major holders, Retailers. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1982:Q2 for levels and 1982:Q3 for flows; for earlier quarters, unadjusted flow is converted from annual rate to quarterly rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>25c. Change in consumer credit held by U.S.-chartered commercial banks, as reported in the Federal Reserve Board’s monthly G.19 statistical release</td>
<td>723066000</td>
<td>-14.2</td>
<td>Level from FR Board, Financial Institutions Section, monthly G.19 statistical release, Consumer Credit, table Consumer Credit Outstanding, Not seasonally adjusted, Major holders, Commercial banks. Excludes securitized consumer credit. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>25d. Change in consumer credit held by savings institutions</td>
<td>443066003</td>
<td>2.5</td>
<td>Level from FR Board, Financial Institutions Section, monthly G.19 statistical release, Consumer Credit, table Consumer Credit Outstanding, Not seasonally adjusted, Major holders, Savings institutions. Excludes securitized consumer credit. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>25e. Change in consumer credit held by credit unions</td>
<td>473066000</td>
<td>8.2</td>
<td>Level from FR Board, Financial Institutions Section, monthly G.19 statistical release, Consumer Credit, table Consumer Credit Outstanding, Not seasonally adjusted, Major holders, Credit unions. Excludes securitized consumer credit. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<tr>
<td>25f. Change in consumer credit held by issuers of asset-backed securities</td>
<td>673066000</td>
<td>47.2</td>
<td>Level from FR Board, Financial Institutions Section, monthly G.19 statistical release, Consumer Credit, table Consumer Credit Outstanding. Not seasonally adjusted. Major holders, Pools of securitized assets. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>25g. Change in consumer credit held by finance companies, other than captive retail finance companies</td>
<td>613066000</td>
<td>7.6</td>
<td>Level from FR Board, Financial Institutions Section, monthly G.19 statistical release, Consumer Credit, table Consumer Credit Outstanding. Not seasonally adjusted. Major holders, Finance companies. Excludes securitized consumer credit. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>25h. Change in consumer credit held by captive retail finance companies</td>
<td>613066120</td>
<td>0.0</td>
<td>Through 1992:Q4, level from FR Board, Financial Institutions Section, monthly G.19 statistical release, Consumer Credit, table Consumer Credit Outstanding. Not seasonally adjusted. Major holders, Retailers, multiplied by the ratio of consumer credit held by captive retail finance companies (from FR Board quinquennial survey of finance companies) to consumer credit held by all retailers for same time period as survey. Ratio is smoothed between quinquennial surveys. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1993:Q1 for levels and flows; for earlier quarters, seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>26. Change in trade receivables held by nonfarm nonfinancial corporate business</td>
<td>103070005</td>
<td>32.0</td>
<td>Sum of lines 26a and 26b, less line 25.</td>
</tr>
</tbody>
</table>
### F.102 Nonfarm Nonfinancial Corporate Business—Continued

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<tr>
<td>26a. Change in trade payables owed to nonfarm nonfinancial corporate business by borrowers, other than the federal government</td>
<td>103070000</td>
<td>31.7</td>
<td>Beginning 1975:Q1, year-end level from SOI Source Book, Corporation Income Tax Returns, Returns with and without net income, tables for nonfarm nonfinancial corporations, line 4, Notes and accounts receivable, less line 5, Allowance for bad debts. Levels for other quarters, including year-end quarters after latest issue of Source Book, from QFR, table 16.1, Trade accounts and trade notes receivable (less allowances for doubtful receivables), multiplied by 98 percent of the most recent benchmark ratio of Notes and accounts receivable less Allowance for bad debts from the SOI Source Book cited above to the line from the QFR cited above, less trade payables owed by the federal government to nonfarm nonfinancial corporations (FOF series 103070310, line 26b below) for the same time period. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>26b. Change in trade payables owed to nonfarm nonfinancial corporate business by the federal government</td>
<td>103070310</td>
<td>1.4</td>
<td>Beginning 1975:Q1, level from QFR, table 45.1, Trade receivables from U.S. government, multiplied by 98 percent of the most recent benchmark ratio of notes and accounts receivable, net, held by nonfarm nonfinancial corporations reported in SOI Source Book, Corporation Income Tax Returns, Returns with and without net income, tables for nonfarm nonfinancial corporations, line 4, Notes and accounts receivable, less line 5, Allowance for bad debts, to QFR, table 16.1, Trade accounts and trade notes receivable (less allowances for doubtful receivables), for the same time period. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>27. Net purchases of mutual fund shares by nonfarm nonfinancial corporate business</td>
<td>103064203</td>
<td>3.0</td>
<td>Year-end level at market value from Mutual Fund Fact Book, Section 5, Institutional Investors, table Assets of Fiduciary, Business, and Institutional Investors in Equity, Bond, and Income Funds, Business corporations. Data are annual; series is converted to quarterly market-value level on the basis of movements in the Wilshire 5000 Equity Index. Unadjusted flow is the change in the quarterly market-value level less capital gains over the quarter, estimated as the preceding quarter’s market-value level multiplied by the percentage change in the Wilshire index (expressed in decimal form). Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>28. Change in total miscellaneous assets of nonfarm nonfinancial corporate business</td>
<td>103090005</td>
<td>254.8</td>
<td>Sum of lines 29, 30, 31, 32, and 33.</td>
</tr>
<tr>
<td>29. Direct investment abroad by U.S. nonfarm nonfinancial corporate business</td>
<td>103092005</td>
<td>101.1</td>
<td>Sum of lines 29a and 29b, less lines 29c through 29g.</td>
</tr>
<tr>
<td>29a. U.S. direct investment abroad, with current-cost adjustment</td>
<td>263192001</td>
<td>121.8</td>
<td>Unadjusted and seasonally adjusted flows from SCB, USIT table 5, line 14, Capital with current-cost adjustment, with sign reversed. Fourth-quarter level from SCB, article International Investment Position of the U.S., table 1, line 17, Direct investment abroad at current cost; also shown in SCB, section BEA Current and Historical Data, International Data, table G.1, line 17, Direct investment abroad at current cost. Level for other quarters is obtained by adding unadjusted flow to preceding level.</td>
</tr>
<tr>
<td>29b. Net issuance of bonds by Netherlands Antillean financial subsidiaries of U.S. corporations</td>
<td>263063103</td>
<td>.0</td>
<td>Unadjusted flow and level provided by BEA. Flow series appears occasionally in USIT articles in SCB, in text table Transactions with Netherlands Antillean Finance Affiliates. Intercompany debt flows series used as a proxy for net bond transactions. Data for years before 1978 for this series include Eurobond transactions of Delaware subsidiaries operating abroad. Issuance is assumed to be purchased entirely by the rest of the world. Quarterly values for the series are zero beginning 1993:Q1; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>29c. Direct investment abroad by U.S.-chartered commercial banks</td>
<td>723092100</td>
<td>3.3</td>
<td>Beginning 1982, unadjusted flow and fourth-quarter level based on special tabulations provided by BEA; before 1982, estimated by FOF Section from periodic BEA benchmark surveys of U.S. direct investment abroad. Level for other quarters is obtained by adding flow to preceding level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>29d. Direct investment abroad by U.S. life insurance companies</td>
<td>543092003</td>
<td>.4</td>
<td>Beginning 1982, unadjusted flow and fourth-quarter level based on special tabulations provided by BEA; before 1982, estimated by FOF Section from periodic BEA benchmark surveys of U.S. direct investment abroad. Level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>29e. Direct investment abroad by U.S. other insurance companies</td>
<td>513092003</td>
<td>4.9</td>
<td>Beginning 1982, unadjusted flow and fourth-quarter level based on special tabulations provided by BEA; before 1982, estimated by FOF Section from periodic BEA benchmark surveys of U.S. direct investment abroad. Level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>29f. Direct investment abroad by U.S. finance companies</td>
<td>613092003</td>
<td>10.2</td>
<td>Beginning 1982, unadjusted flow and fourth-quarter level based on special tabulations provided by BEA; before 1982, estimated by FOF Section from periodic BEA benchmark surveys of U.S. direct investment abroad. Level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>29g. Direct investment abroad by U.S. security brokers and dealers</td>
<td>663092003</td>
<td>2.0</td>
<td>Beginning 1982, unadjusted flow and fourth-quarter level based on special tabulations provided by BEA; before 1982, estimated by FOF Section from periodic BEA benchmark surveys of U.S. direct investment abroad. Levels for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>30. Change in claims of nonfarm nonfinancial corporate business on reserves of other insurance companies</td>
<td>103076003</td>
<td>-7.1</td>
<td>Level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for property-casualty insurance companies, table Liabilities, Surplus, and Other Funds, sum of line 1, Losses, line 2, Loss adjustment expenses, and line 9, Unearned premiums. The asset counterpart of this liability is allocated among the households and nonprofit organizations sector, nonfarm nonfinancial corporate business, nonfarm noncorporate business, and farm business using the distribution, by line of business, of premiums written by stock companies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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</tr>
<tr>
<td>31. Change in equity in Fannie Mae (government-sponsored enterprises sector) held by nonfarm nonfinancial corporate business</td>
<td>123092003</td>
<td>-1.1</td>
<td>Level from Fannie Mae, Investor/Analyst Report, Balance Sheets, Total stockholders’ equity less Retained earnings. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>32. Change in equity in finance company subsidiaries held by nonfarm nonfinancial corporate business</td>
<td>103094005</td>
<td>2.2</td>
<td>Line 32a less line 32b.</td>
</tr>
<tr>
<td>32a. Investment in finance company subsidiaries by parent companies</td>
<td>613194003</td>
<td>4.3</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from quinquennial benchmark surveys and monthly surveys of a sample of finance companies conducted by FR Board. Series is shown in FR Bulletin, table 1.51, line 12, Debt owed to parent. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>32b. Investment in finance company subsidiaries by bank holding companies</td>
<td>613194733</td>
<td>2.2</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from quinquennial benchmark surveys and monthly surveys of a sample of finance companies conducted by FR Board. Data are included in FR Bulletin, table 1.51, line 12, Debt owed to parent. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>33. Change in unidentified miscellaneous assets of nonfarm nonfinancial corporate business</td>
<td>103093005</td>
<td>159.8</td>
<td>Residual value calculated as line 33a less changes in identified assets (lines 16 through 21, 22, 23, 24, 25, 26, 27, 29, 30, 31, 32, 33b, and 33c).</td>
</tr>
</tbody>
</table>
### F.102 Nonfarm Nonfinancial Corporate Business—Continued

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<tr>
<td>33a. Change in total assets reported by nonfarm nonfinancial corporate business</td>
<td>104090103</td>
<td>308.8</td>
<td>Beginning 1975:Q1, year-end level from SOI Source Book, Corporation Income Tax Returns, Returns with and without net income, tables for nonfarm nonfinancial corporations, line 2, Total assets. Levels for other quarters, including year-end quarters after latest issue of Source Book, from QFR, table 16.1, Total assets, multiplied by the most recent benchmark ratio of Total assets from the Source Book to Total assets from the QFR for the same time period. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>33b. Change in inventories of nonfarm nonfinancial corporate business, at book value</td>
<td>105020000</td>
<td>42.8</td>
<td>Beginning 1975:Q1, year-end level from SOI Source Book, Corporation Income Tax Returns, Returns with and without net income, tables for nonfarm nonfinancial corporations (excluding manufacturing firms reported in the Source Book but including manufacturing firms reported in the QFR), line 6, Inventories. Levels for other quarters, including year-end quarters after latest issue of Source Book, from QFR, table 16.1, Inventories, multiplied by the most recent benchmark ratio for inventories from the line in the Source Book cited above to the line in the QFR cited shown above for the same time period. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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</table>
### Table F.102—Continued

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<tr>
<td>33c. Change in tangible assets of nonfarm nonfinancial corporate business, as reported in the IRS Statistics of Income Corporate Source Book</td>
<td>105019103</td>
<td>−76.7</td>
<td>Beginning 1975:Q1, year-end level from SOI Source Book, Corporation Income Tax Returns, Returns with and without net income, tables for nonfarm nonfinancial corporations (excluding manufacturing firms reported in the Source Book but including manufacturing firms reported in the QFR), sum of line 13, Depreciable assets, line 15, Depletable assets, and line 17, Land, less the sum of line 14, Accumulated depletion, and line 16, Accumulated depletion. Levels for other quarters, including year-end quarters after latest issue of Source Book, from QFR, table 16.1, sum of Depreciable and amortizable fixed assets, including construction in progress, and Land and mineral rights, less Accumulated depreciation, depletion, and amortization, multiplied by the most recent benchmark ratio of tangible assets net of depreciation and depletion from the lines in the Source Book cited above to depreciable and depletable assets net of depreciation and depletion from the lines in the QFR cited above for the same time period. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>34. Net increase in liabilities of nonfarm nonfinancial corporate business</td>
<td>104190005</td>
<td>355.1</td>
<td>Sum of lines 35, 50, 51, and 52.</td>
</tr>
<tr>
<td>35. Net funds raised in markets by nonfarm nonfinancial corporate business</td>
<td>104102005</td>
<td>150.6</td>
<td>Sum of lines 36 and 37.</td>
</tr>
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</table>
### F.102 Nonfarm Nonfinancial Corporate Business—Continued

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<tr>
<td>36. Net issuance of equities by nonfarm nonfinancial corporate business</td>
<td>103164003</td>
<td>-114.4</td>
<td>Unadjusted flow estimated by FR Board, Capital Markets Section, using data from various commercial sources. Level at market value is obtained by subtracting the market value of equities issued by financial institutions and the market value of foreign equities held by U.S. residents (FOF series 263164003, table L.107, line 42) from the market value of all equities outstanding. (Market value of all equities outstanding is equal to the value of common and preferred stocks traded on the NYSE, Nasdaq, and other U.S. exchanges; plus foreign equities held by U.S. residents; plus FOF Section estimate for the value of closely held shares; less value of intercorporate holdings of nonfinancial corporate stock, estimated by FOF Section on the basis of total dividends paid by domestic corporations from the NIPA and dividends received by domestic nonfinancial corporations from domestic corporations from information in the SOI Source Book, Corporation Income Tax Returns, Returns with and without net income. Market value of equities of financial corporations is FOF Section estimate based on year-end total of the value of shares of financial corporations obtained from Standard &amp; Poor’s Compustat and the Center for Research in Security Prices.) Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>37. Change in credit market debt of nonfarm nonfinancial corporate business</td>
<td>104104005</td>
<td>265.0</td>
<td>Sum of lines 38, 39, 40, 41, 42, and 49.</td>
</tr>
<tr>
<td>38. Change in commercial paper liabilities of nonfarm nonfinancial corporate business</td>
<td>103169700</td>
<td>13.7</td>
<td>Level from FR Board, Capital Markets Section, daily statistical release Commercial Paper, table Commercial Paper Outstanding, section Not Seasonally Adjusted Data, column Nonfinancial domestic, Month-end outstandings. Series is compiled by FR Board using data obtained from the Depository Trust Company. Unadjusted flow is the change in the level; seasonally adjusted flow is derived from seasonally adjusted levels shown in the same statistical release.</td>
</tr>
<tr>
<td>39. Change in outstanding municipal securities issued on behalf of, and owed by, nonfarm nonfinancial corporate business (industrial revenue bonds)</td>
<td>103162005</td>
<td>4.2</td>
<td>Line 39a less line 39b. These bonds are issued by state and local governments to finance private investment and are secured in interest and principal by the industrial user of the funds.</td>
</tr>
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</tr>
<tr>
<td>39a. Gross issuance of municipal securities owed by nonfarm nonfinancial corporate business</td>
<td>103162260</td>
<td>7.6</td>
<td>Unadjusted flow from Securities Data Company via FR Board, Capital Markets Section. Corporate-backed tax-exempt bonds. Level is obtained by adding flow to preceding level. Seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>39b. Retirements of municipal securities owed by nonfarm nonfinancial corporate business</td>
<td>103162273</td>
<td>3.5</td>
<td>Unadjusted flow estimated by FOF Section using data published on the Bureau of the Census Internet site and data on gross issuance of municipal debt owed by nonfarm nonfinancial corporate business (FOF series 103162260, line 39a above). Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>40. Change in corporate bond liabilities of nonfarm nonfinancial corporate business, including securities sold by Netherlands Antillean financial subsidiaries</td>
<td>103163003</td>
<td>90.7</td>
<td>Unadjusted flow calculated by FR Board, Capital Markets Section, using data from various commercial sources. Level is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>41. Change in bank loans, not elsewhere classified, to nonfarm nonfinancial corporate business</td>
<td>103168005</td>
<td>73.2</td>
<td>Sum of lines 41a, 41b, 41c, and 41d, plus line 41e net of line 41f; less lines 41g, 41h, and 41i; and less 60 percent of line 41j. The portion of line 41j deducted is an estimate of the value of commercial paper issued by nonfarm nonfinancial corporations that is included through 1996:Q4 in the banks' quarterly Reports of Condition with the loans shown in line 41a.</td>
</tr>
<tr>
<td>41b. Change in domestic lease financing receivables held by U.S.-chartered commercial banks</td>
<td>723069300</td>
<td>20.6</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-C, Lease financing receivables (net of unearned income) of U.S. addressees (domicile) (series RCON2182). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
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F.102  Nonfarm Nonfinancial Corporate Business—Continued

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<tr>
<td>41c. Change in commercial and industrial loans held by foreign banking</td>
<td>753068100</td>
<td>10.7</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule C, sum of Commercial and industrial loans to U.S. addresses (domicile) (series RCON1763), Commercial and industrial loans to non-U.S. addresses (domicile) (RCON1764), Lease financing receivables (net of unearned income) of U.S. addresses (domicile) (RCFD2182 less RCFN2182), Lease financing receivables (net of unearned income) of non-U.S. addresses (domicile) (RCFD2183 less RCFN2183), Acceptances of U.S. banks (RCON1756), and Acceptances of foreign banks (RCON1757); for Edge and agreement corporations, schedule C, sum of Commercial and industrial loans to U.S. addresses (domicile) (RCFD1761) and Commercial and industrial loans to non-U.S. addresses (domicile) (RCFD1762 less RCFN1600); and for New York State investment companies (through 1996:Q2), schedule A, sum of Commercial and industrial loans (except those secured by real estate), excluding acceptances of other banks, to U.S. addresses (domicile) (RCON1761), and Commercial and industrial loans (except those secured by real estate), excluding acceptances of other banks, to non-U.S. addresses (domicile) (RCON1762). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>holding offices in the U.S.</td>
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<tr>
<td>41d. Change in commercial and industrial loans held by bank holding</td>
<td>733068103</td>
<td>*</td>
<td>Level from FR Y-9LP report, schedule PC, sum of Loans (series BHCP0364) and Lease financing receivables (BHCP2165), both net of unearned income. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
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<td>companies</td>
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<tr>
<td>41e. Change in total loans and leases held by banks in U.S.-affiliated</td>
<td>743068743</td>
<td>1.4</td>
<td>For banks located in U.S.-affiliated areas, quarterly level from Report of Condition, schedule RC-C; Total loans and leases, net of unearned income (series RCFD2122); and for branches of U.S. banks located in U.S.-affiliated areas, year-end level from Foreign Branch Report of Condition, Total loans and leases, net (RCFN2122). Data for branches are annual and are converted to quarterly using data for banks in U.S.-affiliated areas. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>areas</td>
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<tr>
<td>Component</td>
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<tr>
<td>41f. Change in mortgages held by banks in U.S.-affiliated areas</td>
<td>743065003</td>
<td>.6</td>
<td>For banks located in U.S.-affiliated areas, quarterly level from Report of Condition, schedule RC-C, Loans secured by real estate (series RCFD1410); and for branches of U.S. banks located in U.S.-affiliated areas, year-end level from Foreign Branch Report of Condition, Loans secured by real estate (RCFN1410). Data for branches are annual and are converted to quarterly using data for banks in U.S.-affiliated areas. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>41g. Change in outstanding bank loans, not elsewhere classified, to nonfarm noncorporate business</td>
<td>113168003</td>
<td>21.7</td>
<td>Year-end level primarily from SOI Bulletin, annual article Partnership Returns, table Balance Sheets, by Profit Status and Industrial Group, sum of Mortgages, notes, and bonds payable in less than one year and Nonrecourse loans (total for all industries except farms and finance). Level also includes FOF Section estimates for bank loans owed by nonfarm nonfinancial sole proprietorships based on the relationship of proprietorship income to partnership income from the SOI Bulletin. Data are annual and are available with a lag of several years; series is converted to quarterly by K-L method. Data for current quarters are FOF Section estimates based on noncorporate income. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>41h. Change in commercial and industrial loans to the rest of the world held by foreign banking offices in the U.S.</td>
<td>753068283</td>
<td>4.7</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule C, sum of Commercial and industrial loans to non-U.S. addressees (domicile) (series RCON1764) and Lease financing receivables (net of unearned income) of non-U.S. addressees (domicile) (RCFD2183 less RCFN2183); for Edge and agreement corporations, schedule C, Commercial and industrial loans to non-U.S. addressees (RCON1762 less RCFN1600); and for New York State investment companies (through 1996:Q2), schedule A, Commercial and industrial loans to non-U.S. addressees (RCON1762). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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## F.102 Nonfarm Nonfinancial Corporate Business—Continued

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<th>1997 value (billions of dollars)</th>
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<tbody>
<tr>
<td>41i. Change in open market paper held by foreign banking offices in the U.S.</td>
<td>753069603</td>
<td>−.2</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule C, sum of Acceptances of U.S. banks (series RCON1756) and Acceptances of foreign banks (RCON1757); and for New York State investment companies (through 1996:Q2), schedule A, Holdings of acceptances of other banks (RCON1593). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>41j. Change in commercial paper held by U.S.-chartered commercial banks</td>
<td>723069703</td>
<td>−.3</td>
<td>Through 1997:Q4, level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-D, Commercial paper in domestic offices (RCON3539). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Through 1996:Q4, the series consists of commercial paper held in portfolio and in trading accounts by U.S.-chartered commercial banks; from 1997:Q1 through 1997:Q4, data are for commercial paper held in trading accounts only. Quarterly values for the series are zero beginning 1998:Q1 for levels and 1998:Q2 for flows; commercial paper held by the banks is now included with other debt securities in the quarterly Report of Condition, schedules RC-B (line 5a) and RC-D (line 5).</td>
</tr>
<tr>
<td>42. Change in outstanding other loans and advances to nonfarm nonfinancial corporate business</td>
<td>103169255</td>
<td>48.0</td>
<td>Sum of lines 43, 44, 45, 46, 47, and 48.</td>
</tr>
<tr>
<td>43. Change in loans to nonfarm nonfinancial corporate business held by savings institutions</td>
<td>103169525</td>
<td>1.6</td>
<td>Estimated as 50 percent of the sum of lines 43a and 43b.</td>
</tr>
<tr>
<td>43a. Change in business loans held by savings institutions that submit reports of condition to the Office of Thrift Supervision</td>
<td>443069553</td>
<td>2.1</td>
<td>Level from Thrift Financial Report, schedule SC, Commercial loans (series SVGL0655). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### Table F.102—Continued

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<tbody>
<tr>
<td>43b. Change in business loans held by savings institutions that submit rep0., of condition to the Federal Deposit Insurance Corporation</td>
<td>443069563</td>
<td>1.0</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC-C, sum of Commercial and industrial loans to U.S. addressees (domicile) (series RCON1763) and to non-U.S. addressees (domicile) (RCON1764); Lease financing receivables (net of unearned income) (RCON2165); Loans to commercial banks in the U.S. (RCON1505), to other depository institutions in the U.S. (RCON1517), and to banks in foreign countries (RCON1510); Loans to finance agricultural production and other loans to farmers (RCON1590); Loans to foreign governments and official institutions (including foreign central banks) (RCON2081); and Loans for purchasing or carrying securities (secured and unsecured) (RCON1545) plus All other loans (exclude consumer loans) (RCON1564). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>44. Change in loans to nonfarm nonfinancial corporate business held by finance companies</td>
<td>103169535</td>
<td>8.1</td>
<td>Estimated as 90 percent of line 44a.</td>
</tr>
<tr>
<td>44a. Change in business loans held by finance companies</td>
<td>613069500</td>
<td>9.0</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from quinquennial benchmark surveys and monthly surveys of a sample of finance companies conducted by FR Board. Series is shown in FR Bulletin, table 1.51, line 3, Accounts receivable, gross, Business. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure. Series excludes securitized loans.</td>
</tr>
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</table>
### F.102 Nonfarm Nonfinancial Corporate Business—Continued

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</table>
| **45. Change in loans to nonfarm**
  nonfinancial corporate business held by the federal government | 103169203 | −0.3 | Level from unpublished Treasury Report on Receivables Due from the Public, Total Loan Receivables by Selected Entities, column Total loans receivable, USDA, Rural Development Administration, sum of 10 percent of Other funds, 10 percent of Rural development insurance fund, and 10 percent of Rural development loan fund; plus Department of Commerce, NOAA, sum of Coastal zone management fund, Fishing vessel obligations guarantees, Federal ship financing fund, and All other combined; plus GSA, General activities—other funds; plus EPA, All other combined; plus Department of Transportation, sum of FAA, All other combined, Federal Railroad Administration, All other combined, Office of the Secretary, All other combined, and Maritime Administration, Federal ship financing fund; plus OPIC, OPIC accounts; plus SBA, 25 percent of Pollution control equipment contract accounts, 25 percent of Disaster loan fund accounts, 65 percent of Business loan and investment fund accounts, and 25 percent of All other combined; plus Department of Energy, Departmental Administration, All other combined; plus Department of Defense, sum of Defense Agencies, Defense business operations fund, and Army, All other combined; plus, from Federal Financing Bank News, table on assets of the Federal Financing Bank, Government-guaranteed loans, sum of GSA, Department of the Interior—Virgin Islands, and Department of the Navy—Ship lease financing. The value for the series for each quarter is an average for the most recent four quarters of the figures calculated by the above method. Unadjusted flow is the change in the level; Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. |
| **46. Change in acceptance liabilities of nonfarm nonfinancial corporate business to banks** | 103169605 | −2.6 | Sum of lines 46a and 46b. |
| **46a. Change in acceptance liabilities of nonfarm nonfinancial business to U.S.-chartered commercial banks** | 123169720 | −0.3 | Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-M, Customers’ liability to this bank on acceptances outstanding, U.S. addressess (domicile) (series RCFD2103). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure. |
### F.102—Continued

<table>
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<tr>
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<tbody>
<tr>
<td>46b. Change in acceptance liabilities of nonfarm nonfinancial business to foreign banking offices in the U.S.</td>
<td>123169750</td>
<td>-2.3</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule RAL, Customers’ liability to this branch or agency on acceptances outstanding, U.S. addressees (domicile) (series RCFD2156); for Edge and agreement corporations, schedule RC, 67 percent of Customers’ liability on acceptances outstanding (RCFD2155); and for New York State investment companies (through 1996:Q2), Customers’ liabilities to this investment company on acceptances outstanding, U.S. addressees (domicile) (RCON2156). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>47. Change in outstanding foreign loans to U.S. nonfarm nonfinancial corporate business</td>
<td>263068000</td>
<td>16.8</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data; plus FR Bulletin, table 3.17, line 48, Other foreigners, Banks’ custodial liabilities, Other; plus FR Board, International Banking Section, FFIEC 002S report, Loans secured by real estate (series CRCB1410) and Commercial and industrial loans (CRCB1763); plus FR Board, International Banking Section, FR 2502q report, memorandum line 1c, Claims on U.S. addressees other than depository institutions (QSBS1369). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>48. Change in business loans held by issuers of asset-backed securities</td>
<td>673069505</td>
<td>24.4</td>
<td>Sum of lines 48a and 48b.</td>
</tr>
<tr>
<td>48a. Change in business loans held by issuers of asset-backed securities, originated by finance companies</td>
<td>673069503</td>
<td>9.9</td>
<td>Level from FR Board, Financial Institutions Section, monthly G.20 statistical release, Finance Companies, Owned and Managed Receivables, section Not Seasonally Adjusted, Securitized business assets, sum of Motor vehicles, Equipment, and Other business receivables. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>48b. Change in business loans held by issuers of asset-backed securities, originated by banks</td>
<td>673069513</td>
<td>14.5</td>
<td>Level estimated by FR Board, Banking and Money Markets Statistics Section, on the basis of data from reports submitted to regulatory authorities and information reported in the financial press. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### F.102 Nonfarm Nonfinancial Corporate Business—Continued

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<th>1997 value (billions of dollars)</th>
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<tbody>
<tr>
<td>49. Change in mortgage debt of nonfarm nonfinancial corporate business</td>
<td>103165005</td>
<td>35.2</td>
<td>Sum of changes in home mortgage debt (construction loans on one- to four-family residential properties, estimated as 40 percent of line 11a), multifamily mortgage debt (construction loans on multifamily residential properties, also estimated as 40 percent of line 11a), and commercial mortgage debt (equal to line 49a less 67 percent of line 49b, less change in commercial mortgage debt of nonprofit organizations, and less change in commercial mortgage debt of nonfarm noncorporate business). The change in commercial mortgage debt of nonprofit organizations is equal to line 49c less 50 percent of the change in other bank loans to the households and nonprofit organizations sector (sum of lines 49d and 49e less lines 49f, 49g, and 49h, and less 40 percent of line 41j). The change in commercial mortgage debt of nonfarm noncorporate business is equal to line 49i less line 49j and less 30 percent of line 49k; and less line 49l net of line 49m, net of 33 percent of line 49b, and net of the change in multifamily mortgage debt of nonfarm nonfinancial corporate business described above (40 percent of line 11a). Level estimated by FR Board, Financial Institutions Section, on the basis of data from various institutional and government sources; series is shown in FR Bulletin, table 1.54, line 4, Mortgages on nonfarm, nonresidential properties. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Year-end level estimated by FOF Section as a proportion of Secured debt from NAREIT Industry Statistics, Industry Balance Sheet, Liabilities, based on historical ratio of mortgages to unsecured debt from data formerly published. Unadjusted flow estimated as a portion of equity and debt issuance published in REITWatch; level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>49a. Change in commercial mortgages</td>
<td>893065503</td>
<td>64.3</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from various institutional and government sources; series is shown in FR Bulletin, table 1.54, line 4, Mortgages on nonfarm, nonresidential properties. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>49b. Change in mortgage debt of real estate investment trusts</td>
<td>643165003</td>
<td>7.8</td>
<td>Year-end level estimated by FOF Section as a proportion of Secured debt from NAREIT Industry Statistics, Industry Balance Sheet, Liabilities, based on historical ratio of mortgages to unsecured debt from data formerly published. Unadjusted flow estimated as a portion of equity and debt issuance published in REITWatch; level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>49c.</td>
<td>153165803</td>
<td>9.0</td>
<td>Year-end level from SOI Bulletin, annual article Charities and Other Tax-Exempt Organizations, table 3, Form 990 Returns of Organizations Tax-Exempt under Internal Revenue Code Sections 501(c)(3)-(9); Selected Income Statement and Balance Sheet Items, by Code Section, Mortgages and other notes payable. Data are annual; series is converted to quarterly by K-L method. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>49d.</td>
<td>723068200</td>
<td>10.0</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-C, Other loans, All other loans (exclude consumer loans) (series RCON1564). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure. Through 1996:Q4, this series includes commercial paper issued by nondepository financial institutions held in portfolio by U.S.-chartered commercial banks.</td>
</tr>
<tr>
<td>49e.</td>
<td>753068200</td>
<td>9.4</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule C, sum of Loans to other financial institutions (series RCON1520) and All other loans (include state and local obligations other than securities and loans to individuals) (RCON1885); for Edge and agreement corporations, schedule C, All other loans including lease financing receivables (RCFD2089 less RCFN2089); and for New York State investment companies (through 1996:Q2), schedule A, sum of Loans to other financial institutions (RCON1520) and All other loans, including overdrafts (RCON2083). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>49f.</td>
<td>613168000</td>
<td>4.4</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from quinquennial benchmark surveys and monthly surveys of a sample of finance companies conducted by FR Board. Series is shown in FR Bulletin, table 1.51, line 10, Bank loans. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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F.102  Nonfarm Nonfinancial Corporate Business—Continued

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<tr>
<td>49g.</td>
<td>623168003</td>
<td>-1.3</td>
<td>Level estimated by FOF Section as approximately 50 percent of the value of mortgages held by mortgage companies (FOF series 623065003, table F.128, line 1). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>49h.</td>
<td>643168003</td>
<td>7.0</td>
<td>Year-end level estimated by FOF Section as a proportion of Unsecured debt from NAREIT Industry Statistics, Industry Balance Sheet, Liabilities, based on historical ratio of bank debt to unsecured debt from data formerly published. Unadjusted quarterly flow estimated as a proportion of equity and debt issuance published in REITWatch; level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>49i.</td>
<td>113165003</td>
<td>37.5</td>
<td>Year-end level primarily from SOI Bulletin, annual article Partnership Returns, table Balance Sheets, by Profit Status and Industrial Group, Mortgages, notes, and bonds payable in one year or more (total for all industries except farms and finance). Level also includes FOF Section estimates for mortgage debt of nonfarm nonfinancial sole proprietorships based on the relationship of proprietorship income to partnership income from the SOI Bulletin. Data are annual and are available with a lag of several years; series is converted to quarterly by K-L method. Data for current quarters are FOF Section estimates based on noncorporate income. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>49j</td>
<td>113165103</td>
<td>−5.4</td>
<td>Year-end level primarily from SOI Bulletin, annual article Partnership Returns, table Balance Sheets, by Profit Status and Industrial Group, 10 percent of Mortgages, notes, and bonds payable in one year or more (total for all industries except farms and finance). Level also includes FOF Section estimates for home mortgage debt of nonfarm nonfinancial sole proprietorships based on the relationship of proprietorship income to partnership income from the SOI Bulletin; it is assumed that 80 percent of the mortgage debt of sole proprietorships is home mortgage debt, with the remainder split between multifamily residential and commercial mortgage debt. Data are annual and are available with a lag of several years; series is converted to quarterly by K-L method. Data for current quarters are FOF Section estimates based on noncorporate income. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>49k</td>
<td>115012003</td>
<td>36.2</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B7, Residential Capital by Type of Owner, Legal Form of Organization, and Industry, Historical-Cost Valuation, Private, Noncorporate, Total (series I3RTOTL3ES00; revisions and updates provided by BEA); less Nonprofit institutions (I3RF1658ES00); less, from table B9, Private Residential Capital, by Tenure Group and Type of Equipment and Structures, Historical-Cost Valuation, Owner-occupied nonfarm (I3RF1655ONOC), Owner-occupied farm (I3RAG014ONOC), and Tenant-occupied farm (I3RAG014TOOC). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using fixed residential investment by private sectors (FOF series 195012001, table F.8, line 21) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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## F.102 Nonfarm Nonfinancial Corporate Business—Continued

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<tr>
<td>49l. Change in multifamily residential mortgages</td>
<td>893065403</td>
<td>14.0</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from various institutional and government sources; series is shown in FR Bulletin, table 1.54, line 3, Mortgages on multifamily residences. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>49m. Change in multifamily residential mortgage debt of the federal government</td>
<td>313165403</td>
<td>*</td>
<td>Level from Monthly Treasury Statement, table 6, schedule B, column Account balances, Close of this month, sum of DOD, Family housing mortgages (value is zero beginning August 1996), and Coast Guard, Family housing mortgages, less U.S. government investment account holdings of mortgages, unpublished detail for schedule D, table 6, provided by the Department of the Treasury. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>50. Change in trade payables owed by nonfarm nonfinancial corporate business</td>
<td>103170005</td>
<td>64.3</td>
<td>Line 50a less line 46.</td>
</tr>
<tr>
<td>50a. Change in trade payables owed to lenders, other than the federal government, by nonfarm nonfinancial corporate business</td>
<td>103170000</td>
<td>61.7</td>
<td>Beginning 1975:Q1, year-end level from SOI Source Book, Corporation Income Tax Returns, Returns with and without net income, tables for nonfarm nonfinancial corporations (excluding manufacturing firms reported in the Source Book but including manufacturing firms reported in the QFR), line 22, Accounts payable. Levels for other quarters, including year-end quarters after latest issue of Source Book, from QFR, table 16.1, Trade accounts and trade notes payable, multiplied by the most recent benchmark ratio of Accounts payable from the Source Book to Trade accounts and trade notes payable from the QFR for the same time period. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
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</table>
Table F.102—Continued

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<tbody>
<tr>
<td>51. Change in taxes payable by nonfarm nonfinancial corporate business</td>
<td>103178000</td>
<td>7.8</td>
<td>Beginning 1988:Q1, level from current issue of QFR, table 45.1, sum of Income taxes accrued, prior and current years, net of payments: Federal, and Income taxes accrued, prior and current years, net of payments: Other, with the sum multiplied by 1.53. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>52. Change in total miscellaneous liabilities of nonfarm nonfinancial corporate business</td>
<td>103190005</td>
<td>132.5</td>
<td>Sum of lines 53, 54, and 55.</td>
</tr>
<tr>
<td>53. Foreign direct investment in U.S. nonfarm nonfinancial corporate business</td>
<td>103192005</td>
<td>98.8</td>
<td>Line 53a less foreign direct investment in the following sectors: nonfarm noncorporate business (equal to line 53b multiplied by 1 minus the percentage shown in line 53c); foreign banking offices in the U.S. (line 53d); life insurance companies (line 53e); other insurance companies (line 53f); finance companies (line 53g); security brokers and dealers (line 53h net of line 53b); and funding corporations, found as the change in their liabilities and net worth (equal to their net acquisition of financial assets) less changes in their open market paper liabilities, corporate bond liabilities, collateral repayable to security brokers and dealers, and unidentified miscellaneous liabilities. Net acquisition of financial assets by funding corporations is equal to the sum of line 53i; change in open market paper held (sum of lines 38 and 53j through 53n less lines 21, 41i, 41j, and 53o through 53ae); line 53af; line 53ag; and investment in security broker and dealer subsidiaries (line 53ah plus the proceeds of corporate bond issuance reinvested in subsidiaries; the proceeds are assumed to be equal to the issuance, line 53ai net of line 53aj). The liability items subtracted from the net increase in total liabilities and net worth of funding corporations in order to calculate foreign direct investment are change in open market paper liabilities (line 53l less lines 53ak, 53al, 53am, and 53an); change in corporate bond liabilities (line 53ai less line 53aj); change in collateral repayable to security brokers and dealers (line 53ao less line 53ap); and change in unidentified miscellaneous liabilities, assumed to fund open market paper held that is not part of the reinvestment of collateral received from security brokers and dealers and that is equal to change in all open market paper held (described above) less line 53ao net of lines 53i, 53af, and 53ap.</td>
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### F.102 Nonfarm Nonfinancial Corporate Business—Continued

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<tr>
<td>53a. Foreign direct investment in the U.S., with current-cost adjustment</td>
<td>263092001</td>
<td>93.4</td>
<td>Unadjusted and seasonally adjusted flows from SCB, USIT table 5, line 55, Capital with current-cost adjustment. Fourth-quarter level from SCB, article International Investment Position of the U.S., table 1, line 35, Direct investment in the U.S. at current cost; also shown in SCB, section BEA Current and Historical Data, International Data, table G.1, line 35, Direct investment in the U.S. at current cost. Level for other quarters is obtained by adding unadjusted flow to preceding level.</td>
</tr>
<tr>
<td>53b. Foreign direct investment in U.S. real estate</td>
<td>265014003</td>
<td>.7</td>
<td>Beginning 1982, unadjusted flow and fourth-quarter level from special tabulations provided by BEA; before 1982, estimated by FOF Section from periodic BEA benchmark surveys of foreign direct investment in the U.S. Level for other quarters is obtained by adding flow to preceding level; level is at historical cost. Annual flow and fourth-quarter level shown in SCB, September issues, article Foreign Direct Investment in the U.S.: Detail for Historical-Cost Position and Related Capital and Income Flows, table 17, Real estate. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>53c. Foreign direct investment in U.S. nonfarm nonfinancial corporate real estate as a percentage of foreign direct investment in all U.S. real estate</td>
<td>105119993</td>
<td>88.7%</td>
<td>Beginning 1979, percentage based on annual data provided by BEA; for earlier periods, 1979 percentage is used.</td>
</tr>
<tr>
<td>53d. Foreign direct investment in foreign banking offices in the U.S.</td>
<td>753192103</td>
<td>5.7</td>
<td>Beginning 1982, unadjusted flow and fourth-quarter level from special tabulations provided by BEA; before 1982, estimated by FOF Section from periodic BEA benchmark surveys of U.S. direct investment abroad. Level for other quarters is obtained by adding flow to preceding level; level is at historical cost. Annual flow and year-end level shown in SCB, September issues, article Foreign Direct Investment in the U.S.: Detail for Historical-Cost Position and Related Capital and Income Flows, table 17, Banks. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>53e. Foreign direct investment in U.S. life insurance companies</td>
<td>543192003</td>
<td>3.2</td>
<td>Beginning 1982, unadjusted flow and fourth-quarter level from special tabulations provided by BEA; before 1982, estimated by FOF Section from periodic BEA benchmark surveys of foreign direct investment in the U.S. Level for other quarters is obtained by adding flow to preceding level; level is at historical cost. Annual flow and year-end level shown in SCB, September issues, article Foreign Direct Investment in the U.S.: Detail for Historical-Cost Position and Related Capital and Income Flows, table 17, Life insurance. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>53f. Foreign direct investment in U.S. other insurance companies</td>
<td>513192003</td>
<td>7.9</td>
<td>Beginning 1982, unadjusted flow and fourth-quarter level from special tabulations provided by BEA; before 1982, estimated by FOF Section from periodic BEA benchmark surveys of foreign direct investment in the U.S. Level for other quarters is obtained by adding flow to preceding level; level is at historical cost. Annual flow and year-end level shown in SCB, September issues, article Foreign Direct Investment in the U.S.: Detail for Historical-Cost Position and Related Capital and Income Flows, table 17, sum of Accident and health insurance and Other insurance. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>53g. Foreign direct investment in U.S. finance companies</td>
<td>613192003</td>
<td>4.9</td>
<td>Beginning 1982, unadjusted flow and fourth-quarter level from special tabulations provided by BEA; before 1982, estimated by FOF Section from periodic BEA benchmark surveys of U.S. direct investment abroad. Level for other quarters is obtained by adding flow to preceding level; level is at historical cost. Annual flow and year-end level shown in SCB, September issues, article Foreign Direct Investment in the U.S.: Detail for Historical-Cost Position and Related Capital and Income Flows, table 17, Other finance, including security and commodity brokers. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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</table>
F.102 Nonfarm Nonfinancial Corporate Business—Continued

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<tr>
<td>53h.</td>
<td>Foreign direct investment in U.S. security brokers and dealers and foreign direct investment in U.S. real estate</td>
<td>663192003</td>
<td>.9</td>
</tr>
<tr>
<td>53i.</td>
<td>Change in money market mutual fund shares held in custodial accounts (funding corporations sector) for reinvested collateral backing securities lending operations</td>
<td>503034003</td>
<td>10.4</td>
</tr>
<tr>
<td>53j.</td>
<td>Change in commercial paper liabilities of foreign financial companies to U.S. residents</td>
<td>263169103</td>
<td>6.0</td>
</tr>
<tr>
<td>53k.</td>
<td>Change in commercial paper liabilities of foreign nonfinancial companies to U.S. residents</td>
<td>263169700</td>
<td>−2.3</td>
</tr>
</tbody>
</table>
### F.102—Continued

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<tr>
<td>53l.</td>
<td>793169103</td>
<td>169.4</td>
<td>Level from FR Board, Capital Markets Section, daily statistical release Commercial Paper, table Commercial Paper Outstanding, section Not Seasonally Adjusted Data, column Financial domestic, month-end outstandings. Series is compiled by FR Board from data obtained from the Depository Trust Company. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>53m.</td>
<td>723169603</td>
<td>−.3</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC, Bank’s liability on acceptances executed and outstanding (series RCON2920). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>53n.</td>
<td>753169600</td>
<td>−2.4</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule RAL, Branch or agency liability on acceptances executed and outstanding (series RCFD2920); for Edge and agreement corporations, schedule RC, Liability on acceptances executed and outstanding (RCFD2920); and for New York State investment companies (through 1996:Q2), main schedule, Investment company liabilities on acceptances executed and outstanding (RCON2920). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
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</table>
### F.102 Nonfarm Nonfinancial Corporate Business—Continued

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<tbody>
<tr>
<td>53o. Change in open market paper held by nonprofit organizations (households and nonprofit organizations sector)</td>
<td>163069103</td>
<td>7.0</td>
<td>Beginning 1987:Q4, level is the sum of data for private foundations and 501(c)(3)–(9) organizations. For private foundations, year-end level from SOI Bulletin, annual article Private Foundations and Charitable Trusts, table 3, All Private Foundations: Income Statements and Balance Sheets, by Size of Fair Market Value of Total Assets, section on assets at fair market value, percentage of Savings and temporary cash investments; percentage determined using distribution of assets of private foundations from an FOF panel data set. For 501(c)(3)–(9) organizations, year-end level from SOI Bulletin, annual article Charities and Other Tax-Exempt Organizations, table 3, Form 990 Returns of Organizations Tax-Exempt under Internal Revenue Code Sections 501(c)(3)–(9): Selected Income Statement and Balance Sheet Items, by Code Section, percentage of Investments in securities; percentage determined using data from the Money Market Directory of Tax-Exempt Organizations. Data are annual; series is converted to quarterly and estimated for current periods by FOF Section. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Before 1987:Q4, series was calculated as a residual.</td>
</tr>
<tr>
<td>53p. Change in open market paper held by state and local governments, excluding employee retirement funds</td>
<td>213069103</td>
<td>11.3</td>
<td>Level is FOF Section estimate based on information on commercial paper held from financial reports of the states that hold the majority of the financial assets of the sector. For each state, the reports comprise the comprehensive annual financial report, reports on investment pools of the state and its local governments, and financial statements of the retirement funds for the state. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
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<tr>
<td>53q. Change in U.S. open market paper held by the rest of the world</td>
<td>263069603</td>
<td>19.9</td>
<td>Unadjusted flow and level from SCB, USIT table 9, sum of line A13, Foreign official assets in the U.S., Banks’ custody liabilities, payable in dollars; and line B24, Negotiable and readily transferable instruments, less memorandum line 8, Negotiable certificates of deposit held for foreigners. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>53r. Change in acceptances held by Federal Reserve Banks (monetary authority sector)</td>
<td>713069603</td>
<td>.0</td>
<td>Level from FR Bulletin, table 1.18, former line 6, Acceptances bought outright, end-of-month data. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1977:Q4 for levels and 1978:Q1 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>53s. Change in bankers acceptances held by U.S.-chartered commercial banks</td>
<td>723069603</td>
<td>−.3</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-C, Acceptances of other banks (sum of series RCON1756 and RCON1757). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>53t. Change in open market paper held by savings institutions that submit reports of condition to the Office of Thrift Supervision</td>
<td>443069153</td>
<td>.0</td>
<td>Level from Thrift Financial Report for periods before 1990:Q1; beginning with that quarter the data are not shown separately and are included with corporate bonds in the report. Unadjusted flow is the change in the level. Quarterly values for the series are zero for both levels and flows beginning 1990:Q1; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>53u. Change in open market paper held by savings institutions that submit reports of condition to the Federal Deposit Insurance Corporation</td>
<td>443069163</td>
<td>−.3</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC-C, sum of Acceptances of other banks—U.S. banks (series RCON1756) and Acceptances of other banks—foreign banks (RCON1757). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>53v. Change in commercial paper held by the U.S. Central Credit Union (credit unions sector)</td>
<td>473069103</td>
<td>-.1</td>
<td>Level from U.S. Central Credit Union Consolidated Financial Statements and Supplemental Financial Information, table Supplemental Financial Information, Portfolio Structure, sum of columns Commercial paper and Corporate bonds and notes. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>53w. Change in open market paper held by bank personal trusts and estates</td>
<td>603069103</td>
<td>2.8</td>
<td>Year-end level from Trust Assets of Financial Institutions, table A-2, section Trusts and Estates, columns Personal trusts and Estates, line 8, Other short-term obligations, plus a portion of line 16, Total non-discretionary assets. Data are annual; series is converted to quarterly and estimated for current periods by FOF Section. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
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<td>53x. Change in open market paper held by life insurance companies</td>
<td>543069100</td>
<td>17.5</td>
<td>Beginning 1997:Q4, level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for life, accident, and health insurance companies. Year-end level is a percentage of total short-term investments, which equals the sum of Annual Statement, table Assets, a portion of line 8, Cash and short-term investments, and Separate Accounts Statement, table Assets, line 7, Short-term investments. Percentage is estimated using data on the composition of short-term securities reported in the Life Insurance Fact Book. Level for other quarters is a percentage of total short-term investments, which is the sum of Quarterly Statement, table Assets, a portion of line 8, Cash and short-term investments, and FOF Section estimate of commercial paper in separate accounts. Before 1997:Q4, level from Distribution of Investments of U.S. Life Insurance Companies, column Combined account, Securities, Corporate—one year or less, sum of U.S. and Foreign. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<tr>
<td>53y.</td>
<td>573069103</td>
<td>2.0</td>
<td>Year-end level from FOF Section tabulation of data (provided on tape by DOL) from IRS/DOL/PBGC Form 5500, Annual Return/Report of Employee Benefit Plan, estimated as a portion of the sum of lines 31c(11), Value of interest in common/collective trusts, 31c(13), Value of interest in master trusts, and 31c(14), Value of interest in 103-12 investment entities; plus a portion of the sum of lines 31c(4A) and 31c(4B), Corporate debt instruments. Data are annual and are available with a lag of several years; series is converted to quarterly and estimated for current periods using Independent Consultants Cooperative data on assets of employee benefit plans obtained from Bankers Trust Company. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>53z.</td>
<td>223069100</td>
<td>2.6</td>
<td>Fiscal-year-end level from Employee Retirement Systems of State and Local Governments, table 1, National Summary of State and Local Government Employee-Retirement System Finances, Time, savings deposits, and nonfederal short-term investments, allocated among cash balances, security repurchase agreements, and open market paper using the distribution of assets reported in Quarterly Survey of the Finances of Public-Employee Retirement Systems (data provided by Bureau of the Census); estimated as one-half the portion of the total not allocated to cash balances. Data were formerly published annually, with a lag of several years; latest volume available is part of the 1992 quinquennial Census of Governments. Series is converted to quarterly and estimated for current periods using data from the quarterly survey cited above, part II, line A.3, 50 percent of All other short-term investments. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>53aa.</td>
<td>633069700</td>
<td>59.5</td>
<td>Level from Trends in Mutual Fund Activity, table 8, Month-End Portfolio Holdings of Taxable Money Market Funds, Commercial paper, less an adjustment for variable annuity plans invested in money market mutual fund shares based on unpublished data from ICI. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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</tr>
<tr>
<td>53ab. Change in bankers acceptances held by money market mutual funds</td>
<td>633069603</td>
<td>2.6</td>
<td>Level from Trends in Mutual Fund Activity, table 8, Month-End Portfolio Holdings of Taxable Money Market Funds, Bankers acceptances, less an adjustment for variable annuity plans invested in money market mutual fund shares based on unpublished data from ICI. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>53ac. Change in open market paper held by mutual funds</td>
<td>653069100</td>
<td>10.6</td>
<td>Level from ICI Supplementary Data, tables Composition of Net Assets for all categories of funds, 50 percent of line 10, Cash and receivables minus liabilities, less an adjustment for variable annuity plans based on unpublished data from ICI. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>53ad. Change in open market paper held by government-sponsored enterprises</td>
<td>403069600</td>
<td>-1.1</td>
<td>Level from FHLLs, Statements of Condition, column Combined, Investments and term federal funds sold, unpublished detail provided to FR Board by Federal Housing Finance Board, sum of Commercial paper and bank notes, Certificates of deposit and Eurodollar deposits, and Bankers acceptances; plus, from Fannie Mae, Investor/Analyst Report, Balance Sheets, Investments, multiplied by the ratio of the sum of Commercial paper and Eurodollar time deposits to Total investments from Notes to Financial Statements, note 4, Investments, in the most recent annual report; plus, from Freddie Mac, Consolidated Balance Sheets, Investments, multiplied by the ratio of Eurodollar time deposits to Total investments from Notes to Financial Statements in the annual report that last showed Eurodollar time deposits separately; plus, from Sallie Mae, Information Statement, Notes to Consolidated Financial Statements, note 6, Cash and investments, Commercial paper. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>53ae. Change in open market paper held by security brokers and dealers</td>
<td>663069103</td>
<td>.6</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports, Bankers acceptances, certificates of deposit, and commercial paper (series F370). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>53af. Change in corporate and foreign bonds held in custodial accounts</td>
<td>503063003</td>
<td>6.6</td>
<td>Level is FOF Section estimate based on collateral repayable and money market mutual fund shares held by funding corporations. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>(funding corporations sector) for reinvested collateral backing securities lending operations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>53ag. Funds raised in commercial paper markets by U.S. funding subsidiaries of foreign-bank parent companies (funding corporations sector) and invested by the funding subsidiaries in the parents’ foreign banking office subsidiaries in the U.S.</td>
<td>503094753</td>
<td>14.3</td>
<td>Level from FR Board, Capital Markets Section, daily statistical release Commercial Paper, table Commercial Paper Outstanding, Miscellaneous Categories, section Financial Companies, column Domestic issuers, Foreign bank parent, month-end outstandings. Series is compiled by FR Board from data obtained from the Depository Trust Company. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>53ah. Funds raised in commercial paper markets by investment banks that are holding-company parents (funding corporations sector) and invested by them in security broker and dealer subsidiaries</td>
<td>503094663</td>
<td>8.4</td>
<td>Through 1997:Q2, level is FOF Section estimate based on FR Bank of New York, Market Reports Division, monthly commercial paper release, table II, line II, Total amount of commercial paper placed by the reporting dealer that is issued by the reporting dealer firm, its affiliates, or its parent. From 1997:Q3 onward, level estimated by FOF Section as the ratio of the value of this series for 1997:Q2 to corporate bond liabilities of investment banks and security brokers and dealers (FOF series 663163503, line 53ai below) for 1997:Q2, multiplied by corporate bond liabilities of investment banks and security brokers and dealers for the current quarter. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>53ai. Change in corporate bond liabilities of investment banks and security brokers and dealers</td>
<td>663163503</td>
<td>38.6</td>
<td>Unadjusted flow equal to gross corporate bond issuance of investment banks and security brokers and dealers obtained from Securities Data Company, less FOF Section estimate of retirements. Level obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>---------</td>
<td>---------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>53aj. Change in corporate bond liabilities of security brokers and dealers</td>
<td>663163003</td>
<td>8.1</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports, Notes and mortgages payable (sum of series F1690 and F1700). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>53ak. Change in commercial paper liabilities of bank holding companies</td>
<td>733169103</td>
<td>6.0</td>
<td>Through 1997:Q2, level from FR 2416 report, Memorandum item, Commercial paper outstanding issued by related institutions of the reporting bank, sum of Issued through commercial paper brokers and dealers (series WRBK2421) and Issued directly (WRBK2423); for 1997:Q3 onward, level from FR Y-9LP report, schedule PC, Borrowings with a remaining maturity of one year or less, Commercial paper (BHCP2309). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>53al. Change in commercial paper liabilities of finance companies</td>
<td>613169100</td>
<td>23.9</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from FR quinquennial benchmark surveys and monthly surveys of a sample of finance companies. Series is shown in FR Bulletin, table 1.51, line 11, Commercial paper. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>53am. Change in commercial paper liabilities of real estate investment trusts</td>
<td>643169103</td>
<td>.0</td>
<td>Year-end level estimated by FOF Section as a proportion of Unsecured debt from NAREIT Industry Statistics, Industry Balance Sheet, Liabilities, based on historical ratio of commercial paper to secured debt from data formerly published. Unadjusted quarterly flow estimated as a proportion of equity and debt issuance from REITWatch; level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
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<tr>
<td>--------------------------------------------------------------------------</td>
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<tr>
<td>53an. Change in commercial paper liabilities of issuers of asset-backed</td>
<td>673169100</td>
<td>89.4</td>
<td>Level from FR Board, Capital Markets Section, daily statistical release Commercial Paper, table Commercial Paper Outstanding, Miscellaneous Categories, section Special Categories, column AB (“asset-backed,” commercial paper outstanding that is issued by special-purpose corporations that invest the proceeds in assets that in turn serve as collateral for the issued paper), month-end outstandings. Series is compiled by FR Board from data obtained from the Depository Trust Company. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>53ao. Change in receivables owed to security brokers and dealers by</td>
<td>663070663</td>
<td>129.1</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports, Receivables from brokers or dealers and clearing organizations (sum of series F770, F780, F790, F800, and F810). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>dealers and clearing organizations (largely cash collateral associated</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>with securities lending transactions)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>53ap. Change in payables owed by security brokers and dealers to</td>
<td>663170663</td>
<td>72.0</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports, Payable to brokers or dealers and clearing organizations (sum of series F1490, F1500, F1510, F1520, F1530, F1540, F1550, F1560, and F1570). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>dealers and clearing organizations (largely cash collateral associated</td>
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<td></td>
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<tr>
<td>with securities lending transactions)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>54. Change in contributions payable to private pension funds by</td>
<td>573076003</td>
<td>3.8</td>
<td>Year-end level from FOF Section tabulation of data (provided on tape by DOL) from IRS/DOL/PBGC Form 5500, Annual Return/Report of Employee Benefit Plan, line 31b(1), Receivables, employer contributions. Data are annual and are available with a lag of several years; series is converted to quarterly and estimated for current periods using Independent Consultants Cooperative data on assets of employee benefit plans obtained from Bankers Trust Company. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>nonfarm nonfinancial corporations</td>
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</table>
### F.102  Nonfarm Nonfinancial Corporate Business—Continued

<table>
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<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tbody>
<tr>
<td>55. Change in unidentified miscellaneous liabilities of nonfarm nonfinancial corporate business</td>
<td>103193005</td>
<td>29.9</td>
<td>Residual value calculated as change in liabilities and net worth (equal to change in reported total assets, line 33a, plus line 55a), less changes in identified liabilities and net worth (lines 36, 38, 39, 40, 41, 42, 49, 50, 51, 53, 54, and 55b).</td>
</tr>
<tr>
<td>55a. Net non-operating income of nonfarm nonfinancial corporate business</td>
<td>106070003</td>
<td>33.0</td>
<td>Beginning 1975:Q1, unadjusted flow from QFR, table 16.0, line 5, Net non-operating income. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>55b. Change in stockholders’ equity in nonfarm nonfinancial corporate business</td>
<td>105000003</td>
<td>-13.3</td>
<td>Beginning 1975:Q1, year-end level from SOI Source Book, Corporation Income Tax Returns, Returns with and without net income, tables for nonfarm nonfinancial corporations (excluding manufacturing firms reported in the SOI but including manufacturing firms reported in the QFR), sum of line 29, Capital stock; line 30, Paid-in or capital surplus; line 31, Retained earnings, appropriated; line 32, Retained earnings, unappropriated; and line 33, Retained earnings, subchapter S corporations; less line 34, Cost of treasury stock. Levels for other quarters, including year-end quarters after latest issue of Source Book, from QFR, table 16.1, Stockholders’ equity, multiplied by the most recent benchmark ratio of the sum of Capital stock, Paid-in or capital surplus, and Retained earnings, less Cost of treasury stock, from the Source Book to Stockholders’ equity from the QFR for the same time period. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>56. Discrepancy for nonfarm nonfinancial corporate business, equal to gross saving less gross investment</td>
<td>107005005</td>
<td>-3.2</td>
<td>Line 8 less line 9; also the sum of lines 8 and 34, less lines 10 and 15. The discrepancy is a use of funds in the FOF accounts.</td>
</tr>
<tr>
<td>57. Memorandum item: Trade receivables net of trade payables</td>
<td>103075005</td>
<td>-32.3</td>
<td>Line 26 less line 50.</td>
</tr>
<tr>
<td>58. Memorandum item: Financing gap of nonfarm nonfinancial corporate business (the excess of capital expenditures over U.S. internal funds)</td>
<td>105005305</td>
<td>74.3</td>
<td>Line 10 less lines 5 and 7.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
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<td>----------------------------------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>59. Capital outlays of nonfarm nonfinancial corporate business, on book basis</td>
<td>Percentage</td>
<td>112.3%</td>
<td>The difference between line 10 and line 7, divided by line 5 and multiplied by 100.</td>
</tr>
<tr>
<td>60. Credit market borrowing by nonfarm nonfinancial corporate business as a percentage of its capital outlays, on book basis</td>
<td>Percentage</td>
<td>39.2%</td>
<td>Line 37 divided by the difference between line 10 and line 7, multiplied by 100.</td>
</tr>
<tr>
<td>61. Net funds raised by nonfarm nonfinancial corporate business as a percentage of its credit market borrowing</td>
<td>Percentage</td>
<td>56.8%</td>
<td>Line 35 divided by line 37, multiplied by 100.</td>
</tr>
</tbody>
</table>
The nonfarm noncorporate business sector comprises partnerships and limited liability companies (businesses that file Internal Revenue Service Form 1065), sole proprietorships (businesses that file IRS Schedule C or Schedule C-EZ), and individuals who receive rental income (income reported on IRS Schedule E). Limited liability companies combine the corporate characteristic of limited liability for all owners with the pass-through tax treatment of partnerships, and they offer more organizational flexibility than S-corporations (corporations having thirty-five or fewer stockholders that elect to be taxed as if they were partnerships under the provisons of subchapter S of the Internal Revenue Code; such corporations are included in the nonfarm nonfinancial corporate business sector). The nonfarm noncorporate business sector is often thought to be composed of small firms, but some of the partnerships included in the sector are large companies. Firms in the sector generally do not have access to capital markets and, to a great extent, rely for their funding on loans from commercial banks and other credit providers (including the federal government) and on trade credit from other firms.

The nonfarm noncorporate business sector is the largest borrower of both multifamily residential mortgages and commercial mortgages. As the firms in the sector are unincorporated, they are owned by the households and nonprofit organizations sector; the firms’ income is attributed to households as a component of personal income, and households add or withdraw equity in the firms through proprietors’ net investment transactions (shown in table F.228). Proprietors’ net investment for the sector is calculated as the difference between sources and uses of funds, and thus the sector does not have a discrepancy.

Most of the data for the sector are estimates based on summary reports published in the IRS Statistics of Income Bulletin (SOI). Usually, figures from the SOI are available with a lag of about two years.
### Table F.103  Nonfarm Noncorporate Business

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Net income with IVA and CCAdj</td>
<td>441.0</td>
<td>473.9</td>
<td>495.3</td>
<td>534.5</td>
<td>563.7</td>
<td>593.8</td>
</tr>
<tr>
<td>2</td>
<td>Gross saving + capital consumption</td>
<td>82.8</td>
<td>84.3</td>
<td>64.1</td>
<td>56.4</td>
<td>55.6</td>
<td>56.2</td>
</tr>
<tr>
<td>3</td>
<td>Gross investment</td>
<td>82.8</td>
<td>84.3</td>
<td>64.1</td>
<td>56.4</td>
<td>55.6</td>
<td>56.2</td>
</tr>
<tr>
<td>4</td>
<td>Capital expenditures</td>
<td>93.0</td>
<td>94.8</td>
<td>96.1</td>
<td>114.8</td>
<td>106.1</td>
<td>113.6</td>
</tr>
<tr>
<td>5</td>
<td>Fixed investment (1)</td>
<td>92.9</td>
<td>93.5</td>
<td>92.1</td>
<td>112.8</td>
<td>104.9</td>
<td>110.5</td>
</tr>
<tr>
<td>6</td>
<td>Change in inventories</td>
<td>0.1</td>
<td>1.3</td>
<td>2.5</td>
<td>2.0</td>
<td>1.2</td>
<td>3.2</td>
</tr>
<tr>
<td>7</td>
<td>Net financial investment</td>
<td>-10.2</td>
<td>-10.5</td>
<td>-30.5</td>
<td>-58.4</td>
<td>-50.6</td>
<td>-57.4</td>
</tr>
<tr>
<td>8</td>
<td>Net acquisition of financial assets</td>
<td>13.4</td>
<td>21.5</td>
<td>43.7</td>
<td>54.0</td>
<td>42.4</td>
<td>40.7</td>
</tr>
<tr>
<td>9</td>
<td>Checkable deposits and currency</td>
<td>5.0</td>
<td>7.6</td>
<td>5.1</td>
<td>4.3</td>
<td>5.1</td>
<td>5.2</td>
</tr>
<tr>
<td>10</td>
<td>Time and savings deposits</td>
<td>-2.2</td>
<td>6.5</td>
<td>8.2</td>
<td>8.7</td>
<td>6.8</td>
<td>6.3</td>
</tr>
<tr>
<td>11</td>
<td>Money market mutual funds</td>
<td>0.1</td>
<td>0.3</td>
<td>0.1</td>
<td>0.9</td>
<td>1.0</td>
<td>0.7</td>
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<tr>
<td>12</td>
<td>Treasury securities</td>
<td>0.7</td>
<td>0.3</td>
<td>0.7</td>
<td>1.6</td>
<td>2.1</td>
<td>1.5</td>
</tr>
<tr>
<td>13</td>
<td>Mortgages</td>
<td>-0.9</td>
<td>-1.5</td>
<td>-0.1</td>
<td>3.1</td>
<td>2.3</td>
<td>1.2</td>
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<tr>
<td>14</td>
<td>Consumer credit</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
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<tr>
<td>15</td>
<td>Trade receivables</td>
<td>7.1</td>
<td>-0.8</td>
<td>14.0</td>
<td>12.3</td>
<td>9.4</td>
<td>9.8</td>
</tr>
<tr>
<td>16</td>
<td>Miscellaneous assets</td>
<td>3.6</td>
<td>9.0</td>
<td>15.7</td>
<td>23.1</td>
<td>15.8</td>
<td>16.0</td>
</tr>
<tr>
<td>17</td>
<td>Insurance receivables</td>
<td>-2.5</td>
<td>0.8</td>
<td>6.0</td>
<td>5.0</td>
<td>3.0</td>
<td>4.1</td>
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<tr>
<td>18</td>
<td>Equity investment in GSEs (2)</td>
<td>-0.0</td>
<td>0.2</td>
<td>0.2</td>
<td>0.0</td>
<td>0.7</td>
<td>0.0</td>
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<tr>
<td>19</td>
<td>Other</td>
<td>6.1</td>
<td>8.0</td>
<td>9.5</td>
<td>18.1</td>
<td>12.1</td>
<td>11.9</td>
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<tr>
<td>20</td>
<td>Net increase in liabilities</td>
<td>23.5</td>
<td>31.9</td>
<td>74.2</td>
<td>112.5</td>
<td>93.0</td>
<td>98.1</td>
</tr>
<tr>
<td>21</td>
<td>Credit market instruments</td>
<td>-16.4</td>
<td>3.2</td>
<td>3.3</td>
<td>23.9</td>
<td>42.0</td>
<td>63.5</td>
</tr>
<tr>
<td>22</td>
<td>Bank loans n.e.c.</td>
<td>2.7</td>
<td>5.3</td>
<td>17.2</td>
<td>18.5</td>
<td>23.4</td>
<td>21.7</td>
</tr>
<tr>
<td>23</td>
<td>Other loans and advances</td>
<td>-4.0</td>
<td>-0.6</td>
<td>-0.1</td>
<td>7.6</td>
<td>0.7</td>
<td>4.2</td>
</tr>
<tr>
<td>24</td>
<td>Mortgages</td>
<td>-15.1</td>
<td>-1.5</td>
<td>-13.8</td>
<td>-2.2</td>
<td>17.9</td>
<td>37.5</td>
</tr>
<tr>
<td>25</td>
<td>Trade payables</td>
<td>6.9</td>
<td>-2.5</td>
<td>7.5</td>
<td>6.2</td>
<td>7.8</td>
<td>7.7</td>
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<td>26</td>
<td>Taxes payable</td>
<td>0.6</td>
<td>0.7</td>
<td>0.8</td>
<td>1.3</td>
<td>1.8</td>
<td>1.3</td>
</tr>
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<td>27</td>
<td>Miscellaneous liabilities</td>
<td>7.7</td>
<td>3.6</td>
<td>2.7</td>
<td>15.4</td>
<td>10.5</td>
<td>6.8</td>
</tr>
<tr>
<td>28</td>
<td>Proprietors’ net investment</td>
<td>24.7</td>
<td>26.9</td>
<td>59.9</td>
<td>65.7</td>
<td>30.9</td>
<td>18.9</td>
</tr>
</tbody>
</table>

(1) Nonresidential plant and equipment plus residential construction, shown on table F.6, lines 10 and 16, respectively.

(2) Equity in the Farm Credit System.
### F.103 Nonfarm Noncorporate Business

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Net income of nonfarm noncorporate business, with inventory valuation and capital consumption adjustments</td>
<td>116110005</td>
<td>593.8</td>
<td>Sum of lines 1a and 1b, less line 1c. Net income of nonfarm noncorporate business is transferred to the households and nonprofit organizations sector as part of personal income.</td>
</tr>
<tr>
<td>1a. Nonfarm proprietors’ net income, with inventory valuation and capital consumption adjustments</td>
<td>116111103</td>
<td>515.8</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.14, line 13, Nonfarm proprietors’ income with inventory valuation and capital consumption adjustments. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<td>1b. Rental income of persons, with capital consumption adjustment</td>
<td>116112103</td>
<td>158.2</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.14, line 17, Rental income of persons with capital consumption adjustment. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>1c. Imputed rental income of persons, with capital consumption adjustment</td>
<td>116113103</td>
<td>80.2</td>
<td>Annual flow from SCB, NIPA table 8.19, line 94, Imputed rental income of persons with capital consumption adjustment. Series is converted to seasonally adjusted quarterly flow by ratio method, using rental income of persons, with capital consumption adjustment (FOF series 116112103, line 1b above), as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>2. Gross saving of nonfarm noncorporate business, equal to its consumption of fixed capital</td>
<td>116300005</td>
<td>56.2</td>
<td>Line 2a less lines 2b, 2c, 2d, 2e net of 2f, and 2g through 2v.</td>
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<tr>
<td>2a. Consumption of fixed capital by private sectors</td>
<td>896300003</td>
<td>720.2</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.9, line 6, Private consumption of fixed capital. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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### Table F.103—Continued

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<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tbody>
<tr>
<td>2b. Consumption of fixed owner-occupied residential capital by households (households and nonprofit organizations sector), with owner-occupied residential structures valued at current cost</td>
<td>156320003</td>
<td>93.0</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A16, Residential Capital, by Type of Owner, Tenure Group, and Type of Equipment and Structures, Current-Cost Valuation, Depreciation, Owner-occupied nonfarm (series M1RF65SONOC; revisions and updates provided by BEA). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
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<td>2c. Consumption of fixed nonresidential capital by nonprofit organizations (households and nonprofit organizations sector), with nonresidential structures and equipment valued at current cost</td>
<td>166330003</td>
<td>25.1</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A7, Fixed Nonresidential Private Capital, by Legal Form of Organization and Major Industry Group, Current-Cost Valuation, Depreciation, Nonprofit institutions, sum of Equipment (series M1NTOTL8EQ00; revisions and updates provided by BEA) and Structures (M1NTOTL8ST00). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<td>2d. Consumption of fixed residential capital by nonprofit organizations (households and nonprofit organizations sector), with residential structures valued at current cost</td>
<td>166320003</td>
<td>2.4</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A10, Private Residential Capital, by Legal Form of Organization and Industry, Current-Cost Valuation, Depreciation, Nonprofit institutions (series M1RTOTL8ES00; revisions and updates provided by BEA). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<td>2e. Consumption of fixed capital by nonfinancial corporate business, including corporate farms</td>
<td>106300053</td>
<td>415.4</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.16, line 20, Consumption of fixed capital by nonfinancial corporate business. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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### F.103 Nonfarm Noncorporate Business—Continued

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<tr>
<td>2f. Capital consumption allowances for corporate farms</td>
<td>1363000183</td>
<td>2.8</td>
<td>Annual flow from SCB, NIPA table 6.22C, line 3. Corporate capital consumption allowances for farms. Series is converted to seasonally adjusted quarterly flow by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Data for farms not available for most recent two years; estimated by multiplying total for Agriculture, forestry, and fishing (SCB, NIPA table 6.22C, line 2) by farm proportion of total for latest year available. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<td>2g. Consumption of fixed capital by farm business</td>
<td>1363000003</td>
<td>26.6</td>
<td>Annual flow from SCB, NIPA table 8.8, line 15. Consumption of fixed capital by the farm sector. Series is converted to seasonally adjusted quarterly flow by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<td>2h. Consumption of fixed nonresidential capital by Federal Reserve Banks (monetary authority sector), with nonresidential structures and equipment valued at current cost</td>
<td>716330003</td>
<td>.3</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, sum of Equipment for Federal Reserve Banks (series M1NF6A1EQ00; revisions and updates provided by BEA) and Structures for Federal Reserve Banks (M1NF6A1ST00). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships.</td>
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<td>2i. Consumption of fixed nonresidential capital by U.S.-chartered</td>
<td>726330003</td>
<td>11.9</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth (FRTW), table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NFt6B1EQ00; revisions and updates provided by BEA), nondepository institutions (M1NFt6l1EQ00), insurance carriers (M1NFt631EQ00), and holding and other investment offices (M1NFt671EQ00); plus Structures for commercial and mutual depository institutions (M1NFt6B1ST00), nondepository institutions (M1NFt6l1ST00), insurance carriers (M1NFt631ST00), and holding and other investment offices (M1NFt671ST00). For the equipment component of the total, the sum is multiplied by the ratio of consumption of fixed nonresidential equipment capital by commercial and mutual depository institutions to consumption of fixed nonresidential equipment and structures capital by commercial and mutual depository institutions, and by the ratio of tangible assets reported by U.S.-chartered commercial banks to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. The structures component is the sum of consumption of fixed nonresidential structures capital by the four financial institution groups delineated in FRTW less consumption of fixed nonresidential structures capital by the FOF sectors cited above other than U.S.-chartered commercial banks. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships.</td>
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<td>2j. Consumption of fixed nonresidential capital by foreign banking offices in the U.S., with nonresidential structures and equipment valued at current cost</td>
<td>756330003</td>
<td>3.2</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (M1NFI611EQ00), insurance carriers (M1NFI631EQ00), and holding and other investment offices (M1NFI671EQ00); plus Structures for commercial and mutual depository institutions (M1NFI6B1ST00), nondepository institutions (M1NFI611ST00), insurance carriers (M1NFI631ST00), and holding and other investment offices (M1NFI671ST00). The sum is multiplied by the ratio of consumption of fixed nonresidential equipment capital by commercial and mutual depository institutions to consumption of fixed nonresidential equipment and structures capital by commercial and mutual depository institutions for the equipment component of the total, and by the ratio of consumption of fixed nonresidential structures capital to consumption of fixed nonresidential equipment and structures capital for the structures component; both are multiplied by the ratio of tangible assets (converted to book value) reported by foreign banking offices in the U.S. to tangible assets, at book value, reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships.</td>
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<td>2k. Consumption of fixed nonresidential capital by bank holding companies, with nonresidential structures and equipment valued at current cost</td>
<td>736330003</td>
<td>.4</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (M1NFI611EQ00), insurance carriers (M1NFI631EQ00), and holding and other investment offices (M1NFI671EQ00); plus Structures for commercial and mutual depository institutions (M1NFI6B1ST00), nondepository institutions (M1NFI611ST00), insurance carriers (M1NFI631ST00), and holding and other investment offices (M1NFI671ST00). The sum is multiplied by the ratio of consumption of fixed nonresidential equipment capital by holding and other investment offices to consumption of fixed nonresidential equipment capital by holding and other investment offices for the equipment component of the total, and by the ratio of consumption of fixed nonresidential structures capital to consumption of fixed nonresidential equipment and structures capital for the structures component; both are multiplied by the ratio of tangible assets reported by bank holding companies to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships.</td>
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<td>21. Consumption of fixed nonresidential capital by banks in U.S.-affiliated areas, with nonresidential structures and equipment valued at current cost</td>
<td>746330003</td>
<td>.1</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NF6B1EQ00; revisions and updates provided by BEA), nondepository institutions (M1NF611EQ00), insurance carriers (M1NF631EQ00), and holding and other investment offices (M1NF671EQ00); plus Structures for commercial and mutual depository institutions (M1NF6B1ST00), nondepository institutions (M1NF611ST00), insurance carriers (M1NF631ST00), and holding and other investment offices (M1NF671ST00). The sum is multiplied by the ratio of consumption of fixed nonresidential equipment capital by commercial and mutual depository institutions to consumption of fixed nonresidential equipment and structures capital by commercial and mutual depository institutions for the equipment component of the total, and by the ratio of consumption of fixed nonresidential structures capital to consumption of fixed nonresidential equipment and structures capital for the structures component; both are multiplied by the ratio of tangible assets reported by banks in U.S.-affiliated areas to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships.</td>
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<td>2m. Consumption of fixed nonresidential capital by savings institutions,</td>
<td>446330003</td>
<td>2.7</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (M1NFI611EQ00), insurance carriers (M1NFI631EQ00), and holding and other investment offices (M1NFI671EQ00); plus Structures for commercial and mutual depository institutions (M1NFI6B1ST00), nondepository institutions (M1NFI611ST00), insurance carriers (M1NFI631ST00), and holding and other investment offices (M1NFI671ST00). The sum is multiplied by the ratio of consumption of fixed nonresidential equipment capital by commercial and mutual depository institutions to consumption of fixed nonresidential equipment and structures capital by commercial and mutual depository institutions for the equipment component of the total, and by the ratio of consumption of fixed nonresidential structures capital to consumption of fixed nonresidential equipment and structures capital for the structures component; both are multiplied by the ratio of tangible assets reported by savings institutions to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships.</td>
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Component | Code | 1997 value (billions of dollars) | Explanation
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2n. Consumption of fixed nonresidential capital by credit unions, with nonresidential structures and equipment valued at current cost | 476330003 | 1.4 | Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NF16B1EQ00; revisions and updates provided by BEA), nondepository institutions (M1NF1611EQ00), insurance carriers (M1NF1631EQ00), and holding and other investment offices (M1NF1671EQ00); plus Structures for commercial and mutual depository institutions (M1NF16B1ST00), nondepository institutions (M1NF1611ST00), insurance carriers (M1NF1631ST00), and holding and other investment offices (M1NF1671ST00). The sum is multiplied by the ratio of consumption of fixed nonresidential equipment capital by commercial and mutual depository institutions to consumption of fixed nonresidential equipment and structures capital by commercial and mutual depository institutions for the equipment component of the total, and by the ratio of consumption of fixed nonresidential structures capital to consumption of fixed nonresidential equipment and structures capital for the structures component; both are multiplied by the ratio of tangible assets reported by credit unions to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships.
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<td>2o. Consumption of fixed nonresidential capital by life insurance companies, with nonresidential structures and equipment valued at current cost</td>
<td>546330003</td>
<td>25.7</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth (FRTW), table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NFI6B1EQ00), revisions and updates provided by BEA; nondepository institutions (M1NFI611EQ00), insurance carriers (M1NFI631EQ00), and holding and other investment offices (M1NFI671EQ00); plus Structures for commercial and mutual depository institutions (M1NFI6B1ST00), nondepository institutions (M1NFI611ST00), insurance carriers (M1NFI631ST00), and holding and other investment offices (M1NFI671ST00). For the structures component of the total, the sum is multiplied by the ratio of consumption of fixed nonresidential structures capital by insurance carriers to consumption of fixed nonresidential equipment and structures capital by insurance carriers, and by the ratio of tangible assets reported by life insurance companies to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. The equipment component is the sum of consumption of fixed nonresidential equipment capital by the four financial institution groups delineated in FRTW less consumption of fixed nonresidential equipment capital by the FOF financial sectors cited above other than life insurance companies. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships.</td>
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<td>2p. Consumption of fixed nonresidential capital by other insurance companies, with nonresidential structures and equipment valued at current cost</td>
<td>516330003</td>
<td>2.9</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NF619EQ00; revisions and updates provided by BEA), nondepository institutions (M1NF619EQ00), insurance carriers (M1NF619EQ00), and holding and other insurance companies (M1NF619EQ00); plus Structures for commercial and mutual depository institutions (M1NF619ST00), nondepository institutions (M1NF619ST00), insurance carriers (M1NF619ST00), and holding and other investment offices (M1NF619ST00). The sum is multiplied by the ratio of consumption of fixed nonresidential equipment capital by insurance carriers to consumption of fixed nonresidential equipment and structures capital by insurance carriers for the equipment component of the total, and by the ratio of consumption of fixed nonresidential structures capital to consumption of fixed nonresidential equipment and structures capital by insurance carriers for the structures component; both are multiplied by the ratio of tangible assets reported by other insurance companies to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships.</td>
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<td>2q. Consumption of fixed nonresidential structures capital by private pension funds, with nonresidential structures valued at current cost</td>
<td>576330063</td>
<td>.7</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NF6B1EQ00; revisions and updates provided by BEA), nondepository institutions (M1NF611EQ00), insurance carriers (M1NF631EQ00), and holding and other investment offices (M1NF671EQ00); plus Structures for commercial and mutual depository institutions (M1NF6B1ST00), nondepository institutions (M1NF611ST00), insurance carriers (M1NF631ST00), and holding and other investment offices (M1NF671ST00). The sum is multiplied by the ratio of consumption of fixed nonresidential structures capital by insurance carriers to consumption of fixed nonresidential equipment and structures capital by insurance carriers, and by the ratio of tangible assets reported by private pension funds (converted to book value) to tangible assets, reported at book value, by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for sole proprietorships. Private pension funds are assumed to have no equipment.</td>
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## F.103 Nonfarm Noncorporate Business—Continued

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<td>2r. Consumption of fixed nonresidential structures capital by state and local government employee retirement funds, with nonresidential structures valued at current cost</td>
<td>226330063</td>
<td>1.4</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NF16B1EQ00; revisions and updates provided by BEA), nondepository institutions M1NF1611EQ00), insurance carriers (M1NF1631EQ00), and holding and other investment offices (M1NF1671EQ00), plus Structures for commercial and mutual depository institutions (M1NF16B1ST00), nondepository institutions (M1NF1611ST00), insurance carriers (M1NF1631ST00), and holding and other investment offices (M1NF1671ST00); the sum is multiplied by the ratio of consumption of fixed nonresidential structures capital by insurance carriers to consumption of fixed nonresidential equipment and structures capital by insurance carriers, and multiplied by the ratio of tangible assets reported by state and local government employee retirement funds to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships. State and local government employee retirement funds are assumed to have no equipment.</td>
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<td>2s. Consumption of fixed nonresidential capital by government-sponsored</td>
<td>406330003</td>
<td>.4</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NF16B1EQ00; revisions and updates provided by BEA), nondepository institutions (M1NF1611EQ00), insurance carriers (M1NF1631EQ00), and holding and other investment offices (M1NF1671EQ00); plus Structures for commercial and mutual depository institutions (M1NF16B1ST00), nondepository institutions (M1NF1611ST00), insurance carriers (M1NF1631ST00), and holding and other investment offices (M1NF1671ST00). The sum is multiplied by the ratio of consumption of fixed nonresidential equipment capital by nondepository institutions to consumption of fixed nonresidential equipment and structures capital by nondepository institutions for the equipment component of the total, and by the ratio of consumption of fixed nonresidential structures capital to consumption of fixed nonresidential equipment and structures capital for the structures component; both are multiplied by the ratio of tangible assets reported by government-sponsored enterprises to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships.</td>
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### F.103 Nonfarm Noncorporate Business—Continued

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<tbody>
<tr>
<td>2t. Consumption of fixed nonresidential capital by finance companies and consumption of fixed nonresidential equipment capital by issuers of asset-backed securities, with nonresidential structures and equipment valued at current cost</td>
<td>616330003</td>
<td>25.5</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NF16B1EQ00; revisions and updates provided by BEA), nondepository institutions (M1NF1611EQ00), insurance carriers (M1NF1631EQ00), and holding and other investment offices (M1NF1671EQ00); plus Structures for commercial and mutual depository institutions (M1NF16B1ST00), nondepository institutions (M1NF1611ST00), insurance carriers (M1NF1631ST00), and holding and other investment offices (M1NF1671ST00). The sum is multiplied by the ratio of consumption of fixed nonresidential equipment capital by nondepository institutions to consumption of fixed nonresidential equipment and structures capital by nondepository institutions for the equipment component of the total, and by the ratio of consumption of fixed nonresidential structures capital to consumption of fixed nonresidential equipment and structures capital for the structures component; both are multiplied by the ratio of tangible assets of finance companies to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships. This series is assumed to include consumption of fixed nonresidential equipment capital; this capital consists of automobiles that collateralize securitized consumer motor vehicle leases, which are assets of the issuers of asset-backed securities sector.</td>
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<tr>
<td>2u. Consumption of fixed capital by real estate investment trusts, with multifamily residential structures and nonresidential structures and equipment valued at current cost</td>
<td>646300003</td>
<td>26.2</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NF16B1EQ00; revisions and updates provided by BEA), nondepository institutions (M1NF1611EQ00), insurance carriers (M1NF1631EQ00), and holding and other investment offices (M1NF1671EQ00); plus Structures for commercial and mutual depository institutions (M1NF16B1ST00), nondepository institutions (M1NF1611ST00), insurance carriers (M1NF1631ST00), and holding and other investment offices (M1NF1671ST00). The sum is multiplied by the ratio of consumption of fixed nonresidential equipment capital by holding and other investment offices to consumption of fixed nonresidential equipment and structures capital by holding and other investment companies for the equipment component of the total, and by the ratio of consumption of fixed nonresidential structures capital to consumption of fixed nonresidential equipment and structures capital for the structures component; both are multiplied by the ratio of tangible assets reported by real estate investment trusts to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. The residential structures component is estimated by multiplying the nonresidential structures component by the ratio of the value of the stock of residential structures to that of nonresidential structures from NAREIT statistical publications. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships.</td>
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### F.103 Nonfarm Noncorporate Business—Continued

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<tr>
<td>2v. Consumption of fixed nonresidential capital by security brokers and dealers, with nonresidential structures and equipment valued at current cost</td>
<td>666330003</td>
<td>1.4</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for security and commodity brokers (series M1NF621EQ00; revisions and updates provided by BEA), plus Structures for security and commodity brokers (M1NF621ST00). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships.</td>
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<td>3. Gross investment by nonfarm noncorporate business</td>
<td>116300005</td>
<td>56.2</td>
<td>Sum of lines 4 and 7; also equal to line 2.</td>
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<td>5. Fixed investment by nonfarm noncorporate business</td>
<td>115019005</td>
<td>110.5</td>
<td>Line 5a net of lines 5b through 5s, plus line 5t.</td>
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<tr>
<td>5a. Fixed nonresidential investment by private domestic sectors</td>
<td>895013001</td>
<td>860.7</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1:1, line 8. Fixed nonresidential investment. Unadjusted flow from SCB, NIPA table 9:1, line 8, Fixed nonresidential investment. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<td>5b. Fixed nonresidential investment by nonprofit organizations (households and nonprofit organizations sector)</td>
<td>165013003</td>
<td>43.6</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B5, Fixed Nonresidential Private Capital, by Legal Form of Organization and Major Industry Group, Historical-Cost Valuation, Noncorporate, sum of Equipment for nonprofit institutions (series I3NTOTL8EQ00; revisions and updates provided by BEA) and Structures for nonprofit institutions (I3NTOTL8ST00). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures portion and investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment portion. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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### F.103 Nonfarm Noncorporate Business—Continued

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<td>5c. Fixed nonresidential investment by nonfarm nonfinancial corporate business</td>
<td>105013003</td>
<td>613.2</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A8. Fixed Nonresidential Private Capital, by Legal Form of Organization and Major Industry Group, Historical-Cost Valuation, Net stock, sum of Equipment for nonfinancial corporations, change in amount outstanding (unpublished detail, series K3NNOFI2EQ00; revisions and updates provided by BEA), and Structures for nonfinancial corporations, change in amount outstanding (K3NNOFI2ST00), plus Depreciation for equipment (M3NNOFI2EQ00) and for structures (M3NNOFI2ST00) for nonfinancial corporations; less Investment in producers’ durable equipment by farm corporations (SCB, NIPA table 5.8, sum of line 26, Agricultural machinery, except tractors, and a percentage of line 25, Tractors, with the percentage equal to the ratio of purchases of farm tractors, series 3IHI Y3NTOTL1E020, to purchases of all tractors, 3IHI Y3NTOTL1E021—both series published on the BEA STAT-USA Internet site: annual ratio used for all four quarters in year—not of Investment by noncorporate farms in equipment, I3NAG014EQ00); and less Investment in nonresidential structures by farm corporations (SCB, NIPA table 5.6, line 19, Farm purchases of nonresidential structures, net of Investment by noncorporate farms in nonresidential structures, I3NAG014ST00). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures portion and investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment portion. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Unpublished quarterly data for farm purchases of equipment and structures are provided by BEA.</td>
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<tr>
<td>5d. Fixed nonresidential investment by farm business</td>
<td>135013003</td>
<td>25.4</td>
<td>Seasonally adjusted flow from SCB, sum of NIPA table 5.6, line 19, Farm purchases of nonresidential structures; NIPA table 5.8, line 26, Agricultural machinery, except tractors; and a percentage of NIPA table 5.8, line 25, Tractors (percentage equal to the ratio of purchases of farm tractors, series 3IHI Y3NTOTLIE020, to purchases of all tractors, 3IHI Y3NTOTLIE021—both series published on the BEA STAT-USA Internet site; annual ratio used for all four quarters in year). Unpublished quarterly data for all three lines in the NIPA tables provided by BEA. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
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<td>5e. Fixed nonresidential investment by Federal Reserve Banks (monetary authority sector)</td>
<td>715013003</td>
<td>.3</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, sum of Equipment for Federal Reserve Banks (series I3NFI6A1EQ00; revisions and updates provided by BEA) and Structures for Federal Reserve Banks (I3NFI6A1ST10). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers' durable equipment (SCB, NIPA table 5.4, line 8, Producers' durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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### F.103 Nonfarm Noncorporate Business—Continued

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<td>5f. Fixed nonresidential investment by U.S.-chartered commercial banks</td>
<td>725013003</td>
<td>9.3</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth (FRTW), Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NFI611EQ00), insurance carriers (I3NFI631EQ00), and holding and other investment offices (I3NFI671EQ00); plus Structures for commercial and mutual depository institutions (I3NFI6B1ST00), nondepository institutions (I3NFI611ST00), insurance carriers (I3NFI631ST00), and holding and other investment offices (I3NFI671ST00). For the equipment component of the total, the sum is multiplied by the ratio of investment in equipment by commercial and mutual depository institutions to investment in equipment and nonresidential structures by commercial and mutual depository institutions, and by the ratio of tangible assets reported by U.S.-chartered commercial banks to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. The structures component is the sum of investment in structures by the four financial institution groups delineated in FRTW less investment in structures by the FOF financial sectors cited above other than U.S.-chartered commercial banks. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<td>5g. Fixed nonresidential investment by foreign banking offices in the U.S.</td>
<td>755013003</td>
<td>3.0</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series 13NF66B1EQ00; revisions and updates provided by BEA), nondepository institutions (13NF6611EQ00), insurance carriers (13NF6631EQ00), and holding and other investment offices (13NF6671EQ00); plus Structures for commercial and mutual depository institutions (13NF66B1ST00), nondepository institutions (13NF6611ST00), insurance carriers (13NF6631ST00), and holding and other investment offices (13NF6671ST00). The sum is multiplied by the ratio of investment in equipment by commercial and mutual depository institutions to investment in equipment and nonresidential structures by commercial and mutual depository institutions for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets (converted to book value) reported by foreign banking offices in the U.S. to tangible assets, reported at book value, by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers' durable equipment (SCB, NIPA table 5.4, line 8, Producers' durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<td>5h. Fixed nonresidential investment by bank holding companies</td>
<td>735013003</td>
<td>.3</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NFI611EQ00), insurance carriers (I3NFI631EQ00), and holding and other investment offices (I3NFI671EQ00); plus Structures for commercial and mutual depository institutions (I3NFI6B1ST00), nondepository institutions (I3NFI611ST00), insurance carriers (I3NFI631ST00), and holding and other investment offices (I3NFI671ST00). The sum is multiplied by the ratio of investment in equipment by holding and other investment offices to investment in equipment and nonresidential structures by holding and other investment offices for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets reported by bank holding companies to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers' durable equipment (SCB, NIPA table 5.4, line 8, Producers' durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<td>5i. Fixed nonresidential investment by banks in U.S.-affiliated areas</td>
<td>745013003</td>
<td>.1</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NFI611EQ00), insurance carriers (I3NFI631EQ00), and holding and other investment offices (I3NFI671EQ00); plus Structures for commercial and mutual depository institutions (I3NFI6B1ST00), nondepository institutions (I3NFI611ST00), insurance carriers (I3NFI631ST00), and holding and other investment offices (I3NFI671ST00). The sum is multiplied by the ratio of investment in equipment by commercial and mutual depository institutions to investment in equipment and nonresidential structures by commercial and mutual depository institutions for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets reported by banks in U.S.-affiliated areas to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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**Explanation**

Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NFI611EQ00), insurance carriers (I3NFI631EQ00), and holding and other investment offices (I3NFI671EQ00); plus Structures for commercial and mutual depository institutions (I3NFI6B1ST00), nondepository institutions (I3NFI611ST00), insurance carriers (I3NFI631ST00), and holding and other investment offices (I3NFI671ST00). The sum is multiplied by the ratio of investment in equipment by commercial and mutual depository institutions to investment in equipment and nonresidential structures by commercial and mutual depository institutions for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets reported by banks in U.S.-affiliated areas to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.
F.103 Nonfarm Noncorporate Business—Continued

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<td>5j. Fixed nonresidential investment by savings institutions</td>
<td>445013003</td>
<td>2.5</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1. Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NF6B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NF611EQ00), insurance carriers (I3NF631EQ00), and holding and other investment offices (I3NF671EQ00); plus Structures for commercial and mutual depository institutions (I3NF6B1ST00), nondepository institutions (I3NF611ST00), insurance carriers (I3NF631ST00), and holding and other investment offices (I3NF671ST00). The sum is multiplied by the ratio of investment in equipment by commercial and mutual depository institutions to investment in equipment and nonresidential structures by commercial and mutual depository institutions for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets reported by savings institutions to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<td>5k. Fixed nonresidential investment by credit unions</td>
<td>475013003</td>
<td>1.3</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NFI611EQ00), insurance carriers (I3NFI631EQ00), and holding and other investment offices (I3NFI671EQ00); plus Structures for commercial and mutual depository institutions (I3NFI6B1ST00), nondepository institutions (I3NFI611ST00), insurance carriers (I3NFI631ST00), and holding and other investment offices (I3NFI671ST00). The sum is multiplied by the ratio of investment in equipment by commercial and mutual depository institutions to investment in equipment and nonresidential structures by commercial and mutual depository institutions for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets reported by credit unions to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers' durable equipment (SCB, NIPA table 5.4, line 8, Producers' durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<td>51. Fixed nonresidential investment by life insurance companies</td>
<td>545013003</td>
<td>25.9</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth (FRTW), Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NF6B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NF611EQ00), insurance carriers (I3NF631EQ00), and holding and other investment offices (I3NF671EQ00); plus Structures for commercial and mutual depository institutions (I3NF6B1ST00), nondepository institutions (I3NF611ST00), insurance carriers (I3NF631ST00), and holding and other investment offices (I3NF671ST00). For the structures component of the total, the sum is multiplied by the ratio of investment in nonresidential structures by insurance carriers to investment in equipment and nonresidential structures by insurance carriers, and by the ratio of tangible assets reported by life insurance companies to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. The equipment component is the sum of investment in equipment by the four financial institution groups delineated in FRTW less investment in equipment by the FOF financial sectors cited above other than life insurance companies. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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Table F.103—Continued

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<tr>
<td>5m. Fixed nonresidential investment by other insurance companies</td>
<td>S15013003</td>
<td>2.7</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation. columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NF6B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NF611EQ00), insurance carriers (I3NF631EQ00), and holding and other investment offices (I3NF671EQ00); plus Structures for commercial and mutual depository institutions (I3NF6B1ST00), nondepository institutions (I3NF611ST00), insurance carriers (I3NF631ST00), and holding and other investment offices (I3NF671ST00). The sum is multiplied by the ratio of investment in equipment by insurance carriers to investment in equipment and nonresidential structures by insurance carriers for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets reported by other insurance companies to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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### F.103 Nonfarm Noncorporate Business—Continued

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<td>5n. Fixed nonresidential structures investment by private pension funds</td>
<td>575013063</td>
<td>.9</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NFI611EQ00), insurance carriers (I3NFI631EQ00), and holding and other investment offices (I3NFI671EQ00); plus Structures for commercial and mutual depository institutions (I3NFI6B1ST00), nondepository institutions (I3NFI611ST00), insurance carriers (I3NFI631ST00), and holding and other investment offices (I3NFI671ST00). The sum is multiplied by the ratio of investment in nonresidential structures by insurance carriers to investment in equipment and nonresidential structures by insurance carriers and multiplied by the ratio of tangible assets reported by private pension funds (converted to book value) to tangible assets, reported at book value, by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Private pension funds are assumed to have no equipment.</td>
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<td>5o. Fixed nonresidential structures investment by state and local government employee retirement funds</td>
<td>225013063</td>
<td>1.6</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NFI611EQ00), insurance carriers (I3NFI631EQ00), and holding and other investment offices (I3NFI671EQ00), plus Structures for commercial and mutual depository institutions (I3NFI6B1ST00), nondepository institutions (I3NFI611ST00), insurance carriers (I3NFI631ST00), and holding and other investment offices (I3NFI671ST00); the sum is multiplied by the ratio of investment in nonresidential structures by insurance carriers to investment in equipment and nonresidential structures by insurance carriers, and multiplied by the ratio of tangible assets reported by state and local government employee retirement funds to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using NIPA total investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. State and local government employee retirement funds are assumed to have no equipment.</td>
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<td>5p. Fixed nonresidential investment by government-sponsored enterprises</td>
<td>405013003</td>
<td>.4</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series 13NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (13NFI611EQ00), insurance carriers (13NFI631EQ00), and holding and other investment offices (13NFI671EQ00); plus Structures for commercial and mutual depository institutions (13NFI6B1ST00), nondepository institutions (13NFI611ST00), insurance carriers (13NFI631ST00), and holding and other investment offices (13NFI671ST00). The sum is multiplied by the ratio of investment in equipment by nondepository institutions to investment in equipment and nonresidential structures by nondepository institutions for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets reported by government-sponsored enterprises to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<td>5q. Fixed nonresidential investment by finance companies and fixed nonresidential equipment investment by issuers of asset-backed securities</td>
<td>615013003</td>
<td>23.8</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NF16B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NF1611EQ00), insurance carriers (I3NF1631EQ00), and holding and other investment offices (I3NF1671EQ00); plus Structures for commercial and mutual depository institutions (I3NF16B1ST00), nondepository institutions (I3NF1611ST00), insurance carriers (I3NF1631ST00), and holding and other investment offices (I3NF1671ST00). The sum is multiplied by the ratio of investment in equipment by nondepository institutions to investment in equipment and nonresidential structures by nondepository institutions for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets of finance companies to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. This series is assumed to include fixed nonresidential equipment investment in automobiles that collateralize securitized consumer motor vehicle leases; the automobiles are assets of the issuers of asset-backed securities sector.</td>
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<td>Sr. Fixed nonresidential investment by real estate investment trusts</td>
<td>645013013</td>
<td>30.8</td>
<td>Unadjusted flow estimated by FOF Section on the basis of industry reports of asset purchases. Calculated as investment in all structures, currently estimated as five-sixths of the change in the level of total property owned by REITs (FOF series 645019003, table F.129, line 3a), multiplied by the ratio of investment by REITs in nonresidential structures to investment by REITs in all structures (ratio estimated by FOF Section on the basis of information from NAREIT); the remaining one-sixth of the change in net property is assumed to be land purchases. Quarterly allocation of annual flows estimated as a proportion of equity and debt issuance from REITWatch. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>5s. Fixed nonresidential investment by security brokers and dealers</td>
<td>665013003</td>
<td>1.1</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for security and commodity brokers (series I3NF1621EQ00; revisions and updates provided by BEA), plus Structures for security and commodity brokers (I3NF1621ST00). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>5. Fixed residential investment by nonfarm noncorporate business</td>
<td>115012003</td>
<td>36.2</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B7, Residential Capital by Type of Owner, Legal Form of Organization, and Industry, Historical-Cost Valuation, Private, Noncorporate, Total (series I3RTOTL3ES00; revisions and updates provided by BEA); less Nonprofit institutions (I3RFI658ES00); less, from table B9, Private Residential Capital, by Tenure Group and Type of Equipment and Structures, Historical-Cost Valuation, Owner-occupied nonfarm (I3RFI655ONOC), Owner-occupied farm (I3RAG014ONOC), and Tenant-occupied farm (I3RAG014TOOC). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using fixed residential investment by private sectors (FOF series 195012001, table F.8, line 21) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>6. Change in inventories of nonfarm noncorporate business</td>
<td>115020003</td>
<td>3.2</td>
<td>Seasonally adjusted flow equal to SCB, NIPA table 5.10, line 3, Change in nonfarm business inventories, multiplied by the ratio of current-dollar inventories held by nonfarm noncorporate business (beginning 1989:Q1, estimated by FOF Section as 5 percent of SCB, NIPA table 5.12, line 3, Nonfarm inventories; previously, unpublished data provided by BEA) to current-dollar inventories held by all nonfarm business from NIPA table 5.12, line 3. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>8. Net acquisition of financial assets by nonfarm noncorporate business</td>
<td>114090005</td>
<td>40.7</td>
<td>Sum of lines 9, 10, 11, 12, 13, 14, 15, and 16.</td>
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<td>9. Change in checkable deposits and currency held by nonfarm noncorporate business</td>
<td>113020003</td>
<td>5.2</td>
<td>Year-end level primarily from SOI Bulletin, annual article Partnership Returns, table Balance Sheets, by Profit Status and Industrial Group, Cash (total for all industries except farms and finance), allocated among checkable deposits and currency, time and savings deposits, and money market mutual fund shares on the basis of balance sheet data collected by FR Board National Surveys of Small Business Finances. Level also includes FOF Section estimates for checkable deposits and currency held by nonfarm nonfinancial sole proprietorships that are based on the relationship of proprietorship income to partnership income from the SOI Bulletin. Data are annual and are available with a lag of several years; series is converted to quarterly by K-L method. Data for current quarters are FOF Section estimates based on noncorporate income. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>10. Change in time and savings deposits held by nonfarm noncorporate business</td>
<td>113030003</td>
<td>6.3</td>
<td>Year-end level primarily from SOI Bulletin, annual article Partnership Returns, table Balance Sheets, by Profit Status and Industrial Group, Cash (total for all industries except farms and finance), allocated among checkable deposits and currency, time and savings deposits, and money market mutual fund shares on the basis of balance sheet data collected by FR Board National Surveys of Small Business Finances. Level also includes FOF Section estimates for time and savings deposits held by nonfarm nonfinancial sole proprietorships that are based on the relationship of proprietorship income to partnership income from the SOI Bulletin. Data are annual and are available with a lag of several years; series is converted to quarterly by K-L method. Data for current quarters are FOF Section estimates based on noncorporate income. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>11. Change in money market mutual fund shares held by nonfarm noncorporate business</td>
<td>113034003</td>
<td>.7</td>
<td>Year-end level primarily from SOI Bulletin, annual article Partnership Returns, table Balance Sheets, by Profit Status and Industrial Group. Cash (total for all industries except farms and finance), allocated among checkable deposits and currency, time and savings deposits, and money market mutual fund shares on the basis of balance sheet data collected by FR Board National Surveys of Small Business Finance. Level also includes FOF Section estimates for money market mutual fund shares held by nonfarm nonfinancial sole proprietorships that are based on the relationship of proprietorship income to partnership income from the SOI Bulletin. Data are annual and are available with a lag of several years; series is converted to quarterly by K-L method. Data for current quarters are FOF Section estimates based on noncorporate income. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>12. Change in U.S. Treasury securities held by nonfarm noncorporate business</td>
<td>113061003</td>
<td>1.5</td>
<td>Year-end level primarily from SOI Bulletin, annual article Partnership Returns, table Balance Sheets, by Profit Status and Industrial Group. U.S. government obligations (total for all industries except farms and finance). Level also includes FOF Section estimates for U.S. government securities held by nonfarm nonfinancial sole proprietorships that are based on the relationship of proprietorship income to partnership income from the SOI Bulletin. Data are annual and are available with a lag of several years; series is converted to quarterly by K-L method. Data for current quarters are FOF Section estimates based on noncorporate income. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>13. Change in mortgages held by nonfarm noncorporate business</td>
<td>113065005</td>
<td>1.2</td>
<td>Sum of lines 13a, 13b, 13c, and 13d.</td>
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<td>13a. Change in home mortgages held by nonfarm noncorporate business</td>
<td>113065103</td>
<td>.5</td>
<td>Year-end level primarily from SOI Bulletin, annual article Partnership Returns, table Balance Sheets, by Profit Status and Industrial Group, Mortgage and real estate loans (total for all industries except farms and finance). After about $1 billion has been allocated to farm mortgages, the remainder of the total is split equally among home, multifamily residential, and commercial mortgages held by nonfarm nonfinancial partnerships. Level also includes FOF Section estimates for home mortgages held by nonfarm nonfinancial sole proprietorships based on the relationship of proprietorship income to partnership income from the SOI Bulletin. Data are annual and are available with a lag of several years; series is converted to quarterly by K-L method. Data for current quarters are FOF Section estimates based on noncorporate income. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>13b. Change in multifamily residential mortgages held by nonfarm noncorporate business</td>
<td>113065403</td>
<td>.3</td>
<td>Year-end level primarily from SOI Bulletin, annual article Partnership Returns, table Balance Sheets, by Profit Status and Industrial Group, Mortgage and real estate loans (total for all industries except farms and finance). After about $1 billion has been allocated to farm mortgages, the remainder of the total is split equally among home, multifamily residential, and commercial mortgages held by nonfarm nonfinancial partnerships. Level also includes FOF Section estimates for multifamily residential mortgages held by nonfarm nonfinancial sole proprietorships based on the relationship of proprietorship income to partnership income from the SOI Bulletin. Data are annual and are available with a lag of several years; series is converted to quarterly by K-L method. Data for current quarters are FOF Section estimates based on noncorporate income. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>13c. Change in commercial mortgages held by nonfarm noncorporate business</td>
<td>113065503</td>
<td>.3</td>
<td>Year-end level primarily from SOI Bulletin, annual article Partnership Returns, table Balance Sheets, by Profit Status and Industrial Group, Mortgage and real estate loans (total for all industries except farms and finance). After about $1 billion has been allocated to farm mortgages, the remainder of the total is split equally among home, multifamily residential, and commercial mortgages held by nonfarm nonfinancial partnerships. Level also includes FOF Section estimates for commercial mortgages held by nonfarm nonfinancial sole proprietorships based on the relationship of proprietorship income to partnership income from the SOI Bulletin. Data are annual and are available with a lag of several years; series is converted to quarterly by K-L method. Data for current quarters are FOF Section estimates based on noncorporate income. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>13d. Change in farm mortgages held by nonfarm noncorporate business</td>
<td>113065603</td>
<td>.1</td>
<td>Year-end level primarily from SOI Bulletin, annual article Partnership Returns, table Balance Sheets, by Profit Status and Industrial Group, Mortgage and real estate loans (total for all industries except farms and finance). After about $1 billion has been allocated to farm mortgages, the remainder of the total is split equally among home, multifamily residential, and commercial mortgages held by nonfarm nonfinancial partnerships. Level also includes FOF Section estimates for farm mortgages held by nonfarm nonfinancial sole proprietorships based on the relationship of proprietorship income to partnership income from the SOI Bulletin. Data are annual and are available with a lag of several years; series is converted to quarterly by K-L method. Data for current quarters are FOF Section estimates based on noncorporate income. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td><strong>14. Change in consumer credit held by nonfarm noncorporate business</strong></td>
<td>113066003</td>
<td>.0</td>
<td>Through 1982:Q1, level equal to 0.75 multiplied by Noncorp multiplied by (1 – Captive) multiplied by retailer consumer credit, where Noncorp is the ratio of noncorporate business receipts to total business receipts derived from SOI data; Captive is the ratio of captive finance company consumer receivables to total retailer consumer credit calculated using data from the FR Board quinquennial survey of finance companies and from FR Board, Financial Institutions Section; and retailer consumer credit is as published in the FR Board monthly G.19 statistical release, Consumer Credit, table Consumer Credit Outstanding. Not seasonally adjusted, Major holders, Retailers. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1982:Q2 for levels and 1982:Q3 for flows; for earlier quarters, unadjusted flow is converted from annual rate to quarterly rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td><strong>15. Change in trade receivables held by nonfarm noncorporate business</strong></td>
<td>113070003</td>
<td>9.8</td>
<td>Year-end level primarily from SOI Bulletin, annual article Partnership Returns, table Balance Sheets, by Profit Status and Industrial Group, Trade notes and accounts receivable (total for all industries except farms and finance). Level also includes FOF Section estimates for trade credit held by nonfarm nonfinancial sole proprietorships based on the relationship of proprietorship income to partnership income from the SOI Bulletin and on relationships reported in the QFR for trade credit owed to small nonfinancial corporations. Data are annual and are available with a lag of several years; series is converted to quarterly by K-L method. Data for current quarters are FOF Section estimates based on noncorporate income. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td><strong>16. Change in total miscellaneous assets of nonfarm noncorporate business</strong></td>
<td>113090005</td>
<td>16.0</td>
<td>Sum of lines 17, 18, and 19.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>-----------</td>
<td>---------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>17. Change in claims of nonfarm noncorporate business on reserves of other insurance companies</td>
<td>113076003</td>
<td>4.1</td>
<td>Level from A.M. Best Company tabulation of NAIC quarterly and annual statements for property—casualty insurance companies, table Liabilities, Surplus, and Other Funds, sum of line 1, Losses, line 2, Loss adjustment expenses, and line 9, Unearned premiums. The asset counterpart of this liability is allocated among the households and nonprofit organizations sector, nonfarm nonfinancial corporate business, nonfarm noncorporate business, and farm business using the distribution, by line of business, of premiums written by stock companies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>18. Change in equity in the Farm Credit System (government-sponsored enterprises sector) held by nonfarm noncorporate business</td>
<td>113092003</td>
<td>.0</td>
<td>Level from Farm Credit System, Quarterly Information Statement, Condensed Combined Statement of Condition, Capital stock and participation certificates; nonfarm noncorporate business proportion estimated to be equal to the ratio of loans made to nonfarm noncorporate business to total nonmortgage loans. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>19. Change in unidentified miscellaneous assets of nonfarm noncorporate business</td>
<td>113093003</td>
<td>11.9</td>
<td>Year-end level primarily from SOI Bulletin, annual article Partnership Returns, table Balance Sheets, by Profit Status and Industrial Group, Other assets (total for all industries except farms and finance). Level also includes FOF Section estimates for miscellaneous assets of nonfarm nonfinancial sole proprietorships based on the relationship of proprietorship income to partnership income from the SOI Bulletin. Data are annual and are available with a lag of several years; series is converted to quarterly by K-L method. Data for current quarters are FOF Section estimates based on noncorporate income. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>20. Net increase in liabilities of nonfarm noncorporate business</td>
<td>114190005</td>
<td>98.1</td>
<td>Sum of lines 21, 25, 26, 27, and 28.</td>
</tr>
</tbody>
</table>
### Component | Code | 1997 value (billions of dollars) | Explanation
--- | --- | --- | ---
21. Change in credit market debt of nonfarm noncorporate business | 114102005 | 63.5 | Sum of lines 22, 23, and 24.
22. Change in outstanding bank loans, not elsewhere classified, to nonfarm noncorporate business | 113168003 | 21.7 | Year-end level primarily from SOI Bulletin, annual article Partnership Returns, table Balance Sheets, by Profit Status and Industrial Group, sum of Mortgages, notes, and bonds payable in less than one year and Nonrecourse loans (total for all industries except farms and finance). Level also includes FOF Section estimates for bank loans owed by nonfarm nonfinancial sole proprietorships based on the relationship of proprietorship income to partnership income from the SOI Bulletin. Data are annual and are available with a lag of several years; series is converted to quarterly by K-L method. Data for current quarters are FOF Section estimates based on noncorporate income. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.
23. Change in outstanding other loans and advances to nonfarm noncorporate business | 113169005 | 4.2 | Sum of lines 23a and 23b, plus 50 percent of line 23c, 50 percent of line 23d, and 10 percent of line 23e.
23a. Change in loans to nonfarm noncorporate business held by the federal government | 113169203 | 1.8 | Level from unpublished Treasury Report on Receivables Due from the Public, Total Loan Receivables by Selected Entities, column Total loans receivable, USDA, Rural Utilities Service, sum of 95 percent of Rural communication development fund, 95 percent of Rural electrification and telephone revolving fund, and 95 percent of Rural Telephone Bank accounts, plus Rural Development, sum of 15 percent of Other Funds, 15 percent of Rural development insurance fund, and 15 percent of Rural development loan fund; plus FCC, All other combined; plus SBA, sum of 75 percent of Pollution control equipment contract accounts, 25 percent of Disaster loan fund accounts, 35 percent of Business loan and investment fund accounts, and 75 percent of All other combined. The value for the series for each quarter is an average for the most recent four quarters of the figures calculated by the above method. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.
### Table F.103—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>23b. Change in other loans and advances to nonfarm noncorporate business held by the Farm Credit System (government-sponsored enterprises sector)</td>
<td>113169253</td>
<td>0.0</td>
<td>Level from Farm Credit System, Quarterly Information Statement, Notes to Condensed Combined Financial Statements, note 2. Loans and allowance for loan losses, sum of Domestic loans to cooperatives and Loans made in connection with international transactions. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>23c. Change in business loans held by savings institutions that submit reports of condition to the Office of Thrift Supervision</td>
<td>443069553</td>
<td>2.1</td>
<td>Level from Thrift Financial Report, schedule SC. Commercial loans (series SVGL0655). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>23d. Change in business loans held by savings institutions that submit reports of condition to the Federal Deposit Insurance Corporation</td>
<td>443069563</td>
<td>1.0</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC-C, sum of Commercial and industrial loans to U.S. addressees (domicile) (series RCON1763) and to non-U.S. addressees (domicile) (RCON1764); Lease financing receivables (net of unearned income) (RCON2165); Loans to commercial banks in the U.S. (RCON1505), to other depository institutions in the U.S. (RCON1517), and to banks in foreign countries (RCON1510); Loans to finance agricultural production and other loans to farmers (RCON1590); Loans to foreign governments and official institutions (including foreign central banks) (RCON2081); and Loans for purchasing or carrying securities (secured and unsecured) (RCON1545) plus All other loans (exclude consumer loans) (RCON1564). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
<tr>
<td>-----------</td>
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<td>---------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
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<tr>
<td>23e.</td>
<td>613069500</td>
<td>9.0</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from quinquennial benchmark surveys and monthly surveys of a sample of finance companies conducted by FR Board. Series is shown in FR Bulletin, table 1.51, line 3. Accounts receivable, gross, Business. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure. Series excludes securitized loans.</td>
</tr>
<tr>
<td>24.</td>
<td>113165003</td>
<td>37.5</td>
<td>Year-end level primarily from SOI Bulletin, annual article Partnership Returns, table Balance Sheets, by Profit Status and Industrial Group. Mortgages, notes, and bonds payable in one year or more (total for all industries except farms and finance). Level also includes FOF Section estimates for mortgage debt of nonfarm nonfinancial sole proprietorships based on the relationship of proprietorship income to partnership income from the SOI Bulletin. Data are annual and are available with a lag of several years; series is converted to quarterly by K-L method. Data for current quarters are FOF Section estimates based on noncorporate income. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>25.</td>
<td>113170003</td>
<td>7.7</td>
<td>Year-end level primarily from SOI Bulletin, annual article Partnership Returns, table Balance Sheets, by Profit Status and Industrial Group. Accounts payable (total for all industries except farms and finance). Level also includes FOF Section estimates for trade debt of nonfarm nonfinancial sole proprietorships based on the relationship of proprietorship income to partnership income from the SOI Bulletin and on balance sheet relationships reported in the QFR for trade debt owed by small nonfinancial corporations. Data are annual and are available with a lag of several years; series is converted to quarterly by K-L method. Data for current quarters are FOF Section estimates based on noncorporate income. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
</tbody>
</table>
### Table F.103—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>26. Change in taxes payable by nonfarm noncorporate business</strong></td>
<td>113178203</td>
<td>1.3</td>
<td>Year-end level primarily from SOI Bulletin, annual article Partnership Returns, Balance Sheets, by Profit Status and Industrial Group, sum of Other current liabilities and Other liabilities (total for all industries except farms and finance), allocated between taxes payable and miscellaneous liabilities on the basis of relationships reported in the QFR for taxes payable and miscellaneous liabilities of small nonfinancial corporations. Level also includes FOF Section estimates for taxes payable by nonfarm nonfinancial sole proprietorships based on the relationship of proprietorship income to partnership income from the SOI Bulletin. Data are annual and are available with a lag of several years; series is converted to quarterly by K-L method. Data for current quarters are FOF Section estimates based on noncorporate income. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td><strong>27. Change in total miscellaneous liabilities of nonfarm noncorporate business</strong></td>
<td>113190005</td>
<td>6.8</td>
<td>Line 27a, plus foreign direct investment in nonfarm noncorporate real estate (equal to line 27b multiplied by 1 minus the percentage shown in line 27c).</td>
</tr>
<tr>
<td><strong>27a. Change in unidentified miscellaneous liabilities of nonfarm noncorporate business</strong></td>
<td>113193003</td>
<td>6.7</td>
<td>Year-end level primarily from SOI Bulletin, annual article Partnership Returns, Balance Sheets, by Profit Status and Industrial Group, sum of Other current liabilities and Other liabilities (total for all industries except farms and finance), allocated between taxes payable and miscellaneous liabilities based on relationships reported in the QFR for taxes payable and miscellaneous liabilities of small nonfinancial corporations. Level also includes FOF Section estimates for miscellaneous liabilities of nonfarm nonfinancial sole proprietorships based on the relationship of proprietorship income to partnership income from the SOI Bulletin. Data are annual and are available with a lag of several years; series is converted to quarterly by K-L method. Data for current quarters are FOF Section estimates based on noncorporate income. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### F.103 Nonfarm Noncorporate Business—Continued

<table>
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<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
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<tr>
<td>27b. Foreign direct investment in U.S. real estate</td>
<td>265014003</td>
<td>.7</td>
<td>Beginning 1982, unadjusted flow and fourth-quarter level from special tabulations provided by BEA; before 1982, estimated by FOF Section from periodic BEA benchmark surveys of foreign direct investment in the U.S. Level for other quarters is obtained by adding flow to preceding level; level is at historical cost. Annual flow and fourth-quarter level shown in SCB, September issues, article Foreign Direct Investment in the U.S.: Detail for Historical-Cost Position and Related Capital and Income Flows, table 17, Real estate. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>27c. Foreign direct investment in U.S. nonfarm nonfinancial corporate real estate as a percentage of foreign direct investment in all U.S. real estate</td>
<td>105119993</td>
<td>88.7%</td>
<td>Beginning 1979, percentage based on annual data provided by BEA; for earlier periods, 1979 percentage is used.</td>
</tr>
<tr>
<td>28. Proprietors’ net investment in nonfarm noncorporate business</td>
<td>113180005</td>
<td>18.9</td>
<td>Sum of lines 4 and 8, less lines 2, 21, 25, 26, and 27.</td>
</tr>
</tbody>
</table>
Table F.104  Farm Business

The farm business sector is made up of corporate and noncorporate farms. Like the firms in the nonfarm noncorporate business sector, noncorporate farms are owned by households. In the national income and product accounts (NIPA), produced by the Bureau of Economic Analysis (BEA), consumption by farm individuals is part of personal consumption expenditures, and farm proprietors' income is transferred to households as part of personal income and is thus an element of household saving. Similarly, in the flow of funds accounts, expenditures on farm residential structures are part of the fixed investment total for the households and nonprofit organizations sector, and proprietors’ net investment in noncorporate farms (net additions to or subtractions from household ownership equity) is part of the net acquisition of financial assets by the sector. In the flow of funds accounts, however, corporate farms are included in the farm business sector; in the NIPA they are part of nonfinancial corporate business.

The major asset of farms, real estate, is a nonfinancial asset that does not appear on tables of either flows or outstandings; their other assets are small in comparison (farm real estate at the end of 1997 was about $850 billion, while financial assets totaled about $70 billion). Farms’ major sources of funding are loans or credits from banks, government-sponsored enterprises, the federal government, and trade suppliers, along with equity investment by owners.

Data on the financial assets and liabilities of farms are taken from the U.S. Department of Agriculture (USDA) publication Agricultural Income and Finance Situation and Outlook Report, the balance sheets of the agencies that are part of the Farm Credit System, quarterly reports of condition submitted by U.S.-chartered commercial banks, Best’s Aggregates and Averages, Property–Casualty, and information obtained from the Department of the Treasury. Data on farm income, investment, profits, and capital consumption allowances are from the Survey of Current Business and from other materials available from the BEA.
<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>FA136111103 Proprietors' net income with IVA and CCAdj</td>
<td>37.1</td>
<td>32.4</td>
<td>36.9</td>
<td>22.4</td>
<td>38.9</td>
<td>35.5</td>
</tr>
<tr>
<td>FA136006305 Net saving (corporate)</td>
<td>-0.2</td>
<td>0.1</td>
<td>-0.6</td>
<td>-0.7</td>
<td>-0.8</td>
<td>-0.7</td>
</tr>
<tr>
<td>FA136300005 Consumption of fixed capital</td>
<td>20.5</td>
<td>20.6</td>
<td>20.8</td>
<td>21.7</td>
<td>22.6</td>
<td>23.3</td>
</tr>
<tr>
<td>FA136300183 Corporate</td>
<td>1.9</td>
<td>2.0</td>
<td>2.4</td>
<td>2.3</td>
<td>2.5</td>
<td>2.8</td>
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<tr>
<td>FA136300233 Noncorporate</td>
<td>18.6</td>
<td>18.6</td>
<td>18.4</td>
<td>19.4</td>
<td>20.1</td>
<td>20.5</td>
</tr>
<tr>
<td>FA136000105 Gross saving</td>
<td>20.3</td>
<td>20.7</td>
<td>20.3</td>
<td>21.0</td>
<td>21.8</td>
<td>22.6</td>
</tr>
<tr>
<td>FA136000105 Gross investment</td>
<td>20.3</td>
<td>20.7</td>
<td>20.3</td>
<td>21.0</td>
<td>21.8</td>
<td>22.6</td>
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<tr>
<td>FA135050005 Capital expenditures</td>
<td>19.7</td>
<td>12.5</td>
<td>31.6</td>
<td>13.1</td>
<td>31.4</td>
<td>29.8</td>
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<tr>
<td>FA135013003 Fixed investment (2)</td>
<td>14.7</td>
<td>18.7</td>
<td>20.8</td>
<td>22.5</td>
<td>23.8</td>
<td>25.4</td>
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<tr>
<td>FA135020001 Change in inventories</td>
<td>5.0</td>
<td>-6.2</td>
<td>10.8</td>
<td>-9.4</td>
<td>7.6</td>
<td>4.3</td>
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<tr>
<td>FA135000005 Gross financial investment</td>
<td>0.6</td>
<td>8.2</td>
<td>-11.3</td>
<td>7.9</td>
<td>-9.6</td>
<td>-7.2</td>
</tr>
<tr>
<td>FA134090005 Net acquisition of financial assets</td>
<td>3.8</td>
<td>3.2</td>
<td>2.5</td>
<td>3.1</td>
<td>2.9</td>
<td>4.4</td>
</tr>
<tr>
<td>FA133020003 Checkable deposits and currency</td>
<td>1.8</td>
<td>1.7</td>
<td>0.5</td>
<td>0.4</td>
<td>-0.0</td>
<td>0.0</td>
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<tr>
<td>FA133090005 Miscellaneous assets</td>
<td>2.0</td>
<td>1.5</td>
<td>2.0</td>
<td>2.7</td>
<td>2.9</td>
<td>4.4</td>
</tr>
<tr>
<td>FA133076003 Insurance receivables</td>
<td>2.1</td>
<td>1.4</td>
<td>2.0</td>
<td>2.8</td>
<td>3.6</td>
<td>4.4</td>
</tr>
<tr>
<td>FA133092003 Equity investment in GSEs (3)</td>
<td>-0.1</td>
<td>0.1</td>
<td>0.0</td>
<td>-0.1</td>
<td>-0.6</td>
<td>0.0</td>
</tr>
<tr>
<td>FA134190005 Net increase in liabilities</td>
<td>3.2</td>
<td>-5.0</td>
<td>13.7</td>
<td>-4.8</td>
<td>12.5</td>
<td>11.6</td>
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<tr>
<td>FA134102005 Credit market instruments</td>
<td>0.5</td>
<td>2.6</td>
<td>4.4</td>
<td>2.9</td>
<td>4.8</td>
<td>6.4</td>
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<tr>
<td>FA133164000 Bank loans n.e.c.</td>
<td>0.1</td>
<td>2.1</td>
<td>1.9</td>
<td>1.1</td>
<td>0.6</td>
<td>3.5</td>
</tr>
<tr>
<td>FA133169005 Other loans and advances</td>
<td>-0.2</td>
<td>-0.6</td>
<td>0.2</td>
<td>0.3</td>
<td>1.6</td>
<td>-0.5</td>
</tr>
<tr>
<td>FA893065003 Mortgages</td>
<td>0.5</td>
<td>1.0</td>
<td>2.2</td>
<td>1.6</td>
<td>2.6</td>
<td>3.3</td>
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<tr>
<td>FA133172000 Trade payables</td>
<td>0.2</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
<td>1.3</td>
<td>1.4</td>
</tr>
<tr>
<td>FA133180005 Proprietors' net investment</td>
<td>2.5</td>
<td>-8.5</td>
<td>8.4</td>
<td>-8.7</td>
<td>6.4</td>
<td>3.9</td>
</tr>
</tbody>
</table>

(1) Corporate and noncorporate farms.
(2) Nonresidential plant and equipment, shown on table F.6, line 11.
(3) Equity in the Farm Credit System.
### F.104 Farm Business

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Farm proprietors’ net income, with inventory valuation and capital consumption adjustments</td>
<td>136111103</td>
<td>35.5</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.14, line 10, Farm proprietors’ income with inventory valuation and capital consumption adjustments. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>2. Net saving of corporate farms</td>
<td>136006305</td>
<td>−.7</td>
<td>Sum of lines 2a and 2b.</td>
</tr>
<tr>
<td>2a. Undistributed profits of corporate farms, at book value</td>
<td>136006003</td>
<td>−1.0</td>
<td>Annual flow from SCB, NIPA table 6.21C, line 4, Undistributed corporate profits of farms. Series is converted to seasonally adjusted quarterly flow by ratio method, using undistributed profits of corporate business, excluding inventory valuation and capital consumption adjustments, at book value (FOF series 096006001, table F.7, line 27) as the denominator. Data for farms for the most recent two years estimated by multiplying total for Agriculture, forestry, and fishing (SCB, NIPA table 6.21C, line 3) by farm proportion of total for latest year available. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>2b. Capital consumption adjustment for corporate farms</td>
<td>136310103</td>
<td>.3</td>
<td>Annual flow from SCB, NIPA table 6.22C, line 3, Corporate capital consumption allowances for farms (data for most recent two years estimated as farm proportion, for latest year available, of SCB, NIPA table 6.22C, line 2, Agriculture, forestry, and fishing), less consumption of fixed capital by farm corporations (SCB, NIPA table 8.8, line 15, Consumption of fixed capital by the farm sector, net of SCB, table 8.12, line 7, Consumption of fixed capital by farm sole proprietorships and partnerships). Series is converted to seasonally adjusted quarterly flow by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>3. Consumption of fixed capital by farm business, excluding consumption of fixed owner-occupied farm residential capital</td>
<td>136300005</td>
<td>23.3</td>
<td>Line 3a less line 3b.</td>
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### Table F.104—Continued

<table>
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<th>Explanation</th>
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<tr>
<td>3a. Consumption of fixed capital by farm business</td>
<td>136300003</td>
<td>26.6</td>
<td>Annual flow from SCB, NIPA table 8.8, line 15, Consumption of fixed capital by the farm sector. Series is converted to seasonally adjusted quarterly flow by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>3b. Consumption of fixed owner-occupied farm residential capital (included in the households and nonprofit organizations sector), with owner-occupied farm residential structures valued at current cost</td>
<td>136320003</td>
<td>3.3</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A16, Residential Capital, by Type of Owner, Tenure Group, and Type of Equipment and Structures, Current-Cost Valuation, Depreciation, Owner-Occupied Farm (series M1RAG014ONOC; revisions and updates provided by BEA). Series is converted to seasonally adjusted flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<td>4. Capital consumption allowances for corporate farms</td>
<td>136300183</td>
<td>2.8</td>
<td>Annual flow from SCB, NIPA table 6.22C, line 3, Corporate capital consumption allowances for farms. Series is converted to seasonally adjusted quarterly flow by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Data for farms not available for most recent two years; estimated by multiplying total for Agriculture, forestry, and fishing (SCB, NIPA table 6.22C, line 2) by farm proportion of total for latest year available. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>5. Consumption of fixed capital by noncorporate farms</td>
<td>136300235</td>
<td>20.5</td>
<td>Line 3 less line 4.</td>
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<td>6. Gross saving of farm business, equal to current surplus</td>
<td>136000105</td>
<td>22.6</td>
<td>Sum of lines 2 and 3.</td>
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<tr>
<td>7. Gross investment by farm business</td>
<td>136000105</td>
<td>22.6</td>
<td>Sum of lines 8 and 11; also equal to line 6.</td>
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### F.104 Farm Business—Continued

<table>
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<th>Component</th>
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<tr>
<td>8. Capital expenditures of farm business</td>
<td>135050005</td>
<td>29.8</td>
<td>Sum of lines 9 and 10.</td>
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<tr>
<td>9. Fixed nonresidential investment by farm business</td>
<td>135013003</td>
<td>25.4</td>
<td>Seasonally adjusted flow from SCB, sum of NIPA table 5.6, line 19, Farm purchases of nonresidential structures; NIPA table 5.8, line 26, Agricultural machinery, except tractors; and a percentage of NIPA table 5.8, line 25, Tractors (percentage equal to the ratio of purchases of farm tractors, series 3IHI Y3NTOTL1E020, to purchases of all tractors, 3IHI Y3NTOTL1E021—both series published on the BEA STAT-USA Internet site; annual ratio used for all four quarters in year). Unpublished quarterly data for all three lines in the NIPA tables provided by BEA. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>10. Change in inventories of farm business</td>
<td>135020001</td>
<td>4.3</td>
<td>Seasonally adjusted flow from SCB, NIPA table 5.10, line 2, Change in farm business inventories. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>11. Net financial investment by farm business</td>
<td>135000005</td>
<td>-7.2</td>
<td>Line 12 less line 17.</td>
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<tr>
<td>12. Net acquisition of financial assets by farm business</td>
<td>134090005</td>
<td>4.4</td>
<td>Sum of lines 13 and 14.</td>
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<tr>
<td>13. Change in checkable deposits and currency held by farm business</td>
<td>133020003</td>
<td>*</td>
<td>Year-end level from Agricultural Income and Finance Situation and Outlook Report, appendix table 6, Farm Business Balance Sheet, 33 percent of Financial assets. Percentage is ratio of Other financial assets (assumed to be checkable deposits and currency) to Total financial assets in 1993 issue of Economic Indicators of the Farm Sector, where this item was last published separately. Data are annual; series is converted to quarterly by K-L method, with estimates for current quarters obtained by extrapolation. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>Component</td>
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<td>14. Change in total miscellaneous assets of farm business</td>
<td>133090005</td>
<td>4.4</td>
<td>Sum of lines 15 and 16.</td>
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<td>15. Change in claims of farm business on reserves of other insurance</td>
<td>133076003</td>
<td>4.4</td>
<td>Level from A.M. Best Company tabulation of NAIC quarterly and annual statements for property-casualty insurance companies, table Liabilities, Surplus, and Other Funds, sum of line 1, Losses, line 2, Loss adjustment expenses, and line 9, Unearned premiums. The asset counterpart of this liability is allocated among the households and nonprofit organizations sector, nonfarm nonfinancial corporate business, nonfarm noncorporate business, and farm business using the distribution, by line of business, of premiums written by stock companies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>16. Change in equity in the Farm Credit System (government-sponsored enterprises sector) held by farm business</td>
<td>133092003</td>
<td>.0</td>
<td>Level from Farm Credit System, Quarterly Information Statement, Condensed Combined Statement of Condition, Capital stock and participation certificates; farm business portion estimated from percentage of total nonmortgage loans. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>17. Net increase in liabilities of farm business</td>
<td>134190005</td>
<td>11.6</td>
<td>Sum of lines 18, 22, and 23.</td>
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<tr>
<td>18. Change in credit market debt of farm business</td>
<td>134102005</td>
<td>6.4</td>
<td>Sum of lines 19, 20, and 21.</td>
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<tr>
<td>19. Change in outstanding bank loans, not elsewhere classified, to farm business</td>
<td>133168000</td>
<td>3.5</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-C, Loans to finance agricultural production and other loans to farmers (series RCON1590). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<tr>
<td>20. Change in outstanding other loans and advances to farm business</td>
<td>133169005</td>
<td>−.5</td>
<td>Sum of lines 20a and 20b.</td>
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### F.104 Farm Business—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<td>20a. Change in loans to farm business held by the federal government</td>
<td>133169203</td>
<td>−.5</td>
<td>Level from unpublished Treasury Report on Receivables Due from the Public, Total Loan Receivables by Selected Entities, column Total loans receivable, USDA, Rural Development and Farm Service Agency, sum of Rural economic development loans liquidating account, 50 percent of Agricultural credit insurance fund, and All other combined. The value for the series for each quarter is an average for the most recent four quarters of the figures calculated by the above method. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>20b. Change in other loans and advances to farm business held by the Farm Credit System (government-sponsored enterprises sector)</td>
<td>133169250</td>
<td>.0</td>
<td>Level from Farm Credit System, Quarterly Information Statement, Notes to Condensed Combined Financial Statements, note 2, Loans and allowance for loan losses, Short- and intermediate-term loans to agricultural producers. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>21. Change in farm mortgages</td>
<td>893065603</td>
<td>3.3</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from various institutional and government sources; series is shown in FR Bulletin, table 1.54, line 5, Mortgages on farm properties. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>22. Change in trade payables owed by farm business</td>
<td>133170000</td>
<td>1.4</td>
<td>Year-end level from Agricultural Income and Finance Situation and Outlook Report, appendix table Nonreal Estate Farm Business Debt by Lender, column Individuals and others. Data are annual; series is converted to quarterly by ratio method, using bank loans outstanding, not elsewhere classified, to farm business (FOF series 133168000, line 19 above) as the denominator. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>23. Proprietors’ net investment in noncorporate farm business</td>
<td>133180005</td>
<td>3.9</td>
<td>Sum of lines 8 and 12, less lines 6, 18, and 22.</td>
</tr>
</tbody>
</table>
The sector for state and local governments, excluding employee retirement funds, comprises the government operations of the fifty states, their political subdivisions, and the District of Columbia, including debt-issuing authorities, government enterprises, and trust funds. The sector excludes state and local government employee retirement funds, which form a separate sector included in the insurance and pension funds grouping. State and local governments engage in activities that include education; building and maintenance of roads; provision of water, sewers, and sanitation; mass transit; public assistance; and health care. The activities are financed primarily through tax receipts, borrowing, and grants from the federal government.

State and local governments hold various financial assets, such as U.S. government securities, mortgages, corporate equities and mutual fund shares, and corporate bonds. Their major liabilities are municipal securities, mainly long-term obligations. Interest earnings on most types of municipal securities are exempt from federal taxation, which enables the governments to borrow funds at lower rates than if they issued taxable securities. When interest rates fall, state and local governments may issue securities to refinance an outstanding bond issue; the proceeds are held in escrow until the maturity date or first call when the earlier issue is repaid or paid down. State and local governments are restricted from earning arbitrage profits that would be obtained by investing the tax-exempt proceeds in higher-yielding investments. Since 1972, state and local governments have been investing in special types of U.S. Treasury securities ("SLGS," or State and Local Government Series, pronounced "slugs"), which were introduced to assist the governments in complying with these restrictions.

Data on the receipts and expenditures of the sector are taken from the national income and product accounts (NIPA) published by the Bureau of Economic Analysis (BEA) in the Survey of Current Business; data on financial assets and liabilities are obtained from annual financial reports published by the states, from reports submitted to federal regulatory authorities, and from private data reporting services.
### F.105 State and Local Governments, Excluding Employee Retirement Funds (1)

#### Billions of dollars

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>1</td>
<td>FA206010005 Receipts, NIPA basis</td>
<td>844.3</td>
<td>894.5</td>
<td>949.1</td>
<td>997.8</td>
<td>1045.2</td>
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<td>2</td>
<td>FA2060200305 Tax receipts</td>
<td>607.8</td>
<td>639.9</td>
<td>676.5</td>
<td>709.3</td>
<td>748.6</td>
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<td>3</td>
<td>FA2060510001 Social insurance receipts</td>
<td>64.3</td>
<td>68.8</td>
<td>73.4</td>
<td>76.5</td>
<td>77.8</td>
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<tr>
<td>4</td>
<td>FA2064030001 Grants-in-aid received</td>
<td>172.2</td>
<td>185.8</td>
<td>199.2</td>
<td>212.0</td>
<td>218.9</td>
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<tr>
<td>5</td>
<td>FA2065000005 Expenditures, NIPA basis</td>
<td>758.1</td>
<td>807.0</td>
<td>852.4</td>
<td>886.0</td>
<td>922.6</td>
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<td>6</td>
<td>FA2069010001 Consumption expenditures</td>
<td>603.7</td>
<td>631.6</td>
<td>663.9</td>
<td>695.2</td>
<td>724.7</td>
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<td>7</td>
<td>FA2064000005 Net interest and transfers</td>
<td>154.4</td>
<td>175.4</td>
<td>188.5</td>
<td>190.8</td>
<td>197.9</td>
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<td>8</td>
<td>FA2066011005 Surplus, NIPA basis</td>
<td>86.2</td>
<td>87.5</td>
<td>96.7</td>
<td>111.8</td>
<td>122.6</td>
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<td>9</td>
<td>FA2063000001 Consumption of fixed capital</td>
<td>62.3</td>
<td>65.5</td>
<td>69.4</td>
<td>73.2</td>
<td>77.1</td>
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<td>10</td>
<td>FA2231500005 Pension fund reserves</td>
<td>56.7</td>
<td>55.7</td>
<td>58.6</td>
<td>56.1</td>
<td>57.4</td>
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<td>11</td>
<td>FA2060900005 Gross saving</td>
<td>91.8</td>
<td>97.2</td>
<td>107.5</td>
<td>111.8</td>
<td>122.6</td>
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<td>12</td>
<td>FA2050900005 Gross investment</td>
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<td>115.8</td>
<td>125.8</td>
<td>169.9</td>
<td>180.5</td>
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<td>FA2050190001 Fixed investment</td>
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<td>133.4</td>
<td>138.9</td>
<td>152.1</td>
<td>162.1</td>
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<td>FA2150000005 Net financial investment</td>
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<td>15</td>
<td>FA2140900005 Net acq. of financial assets</td>
<td>13.5</td>
<td>49.4</td>
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<td>FA2130200005 Checkable deposits and currency</td>
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<td>FA2130300005 Time and savings deposits</td>
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<td>FA2120500005 Security RPs</td>
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<td>10.7</td>
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<td>FA2140400005 Credit market instruments</td>
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<td>32.6</td>
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<td>-91.4</td>
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<td>FA2130609105 Open market paper</td>
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<td>4.4</td>
<td>17.1</td>
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<td>FA2130610005 U.S. government securities</td>
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<td>FA2130611005 Treasury</td>
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<td>FA2130617003 Agency</td>
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<td>11.6</td>
<td>-35.1</td>
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<td>FA2130620003 Municipal securities</td>
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<td>25</td>
<td>FA2130630003 Corporate and foreign bonds</td>
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<td>5.4</td>
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<td>10.7</td>
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<td>26</td>
<td>FA2130650005 Mortgages</td>
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<td>3.8</td>
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<td>FA2130641003 Corporate equities</td>
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<td>1.5</td>
<td>1.3</td>
<td>12.1</td>
<td>14.5</td>
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<td>28</td>
<td>FA2130642003 Mutual fund shares</td>
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<td>FA2130700005 Taxes receivable</td>
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<td>FA2130900005 Miscellaneous assets</td>
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<td>40.6</td>
<td>-15.5</td>
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<td>31</td>
<td>FA2141900005 Net increase in liabilities</td>
<td>24.9</td>
<td>67.0</td>
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<td>-4.6</td>
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<td>FA2141020005 Credit market instruments</td>
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<td>FA2131602005 Municipal securities</td>
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<td>-51.9</td>
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<td>FA2131624000 Short-term</td>
<td>-1.1</td>
<td>1.8</td>
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<td>FA2131622005 Other</td>
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<td>-13.4</td>
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<td>FA2131692003 U.S. government loans</td>
<td>-0.1</td>
<td>-0.6</td>
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<td>FA2131700003 Trade payables</td>
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<td>38</td>
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<td>-28.9</td>
<td>-18.6</td>
<td>-18.3</td>
<td>-41.1</td>
<td>-38.2</td>
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</table>

(1) Data for retirement funds are shown in table F.120.
### F.105 State and Local Governments, Excluding Employee Retirement Funds

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
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<tbody>
<tr>
<td>1. Receipts of state and local governments, NIPA basis</td>
<td>206010005</td>
<td>1,094.3</td>
<td>Sum of lines 2, 3, and 4.</td>
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<td>2. Tax receipts of state and local governments</td>
<td>206200305</td>
<td>789.3</td>
<td>Sum of lines 2a, 2b, and 2c.</td>
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<tr>
<td>2a. Personal tax and nontax receipts of state and local governments</td>
<td>206210001</td>
<td>219.9</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 2, Personal tax and nontax receipts. Unadjusted flow from SCB, NIPA table 9.4, line 2, Personal tax and nontax receipts. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>2b. Indirect business tax and nontax accruals owed to state and local governments</td>
<td>206240001</td>
<td>533.4</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 7, Indirect business tax and nontax accruals. Unadjusted flow from SCB, NIPA table 9.4, line 4, Indirect business tax and nontax accruals. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>2c. Accruals of corporate profit taxes owed to state and local governments</td>
<td>206231001</td>
<td>36.0</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 6, Corporate profits tax accruals. Unadjusted flow from SCB, NIPA table 9.4, line 3, Corporate profits tax accruals. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>3. Social insurance receipts of state and local governments</td>
<td>206601001</td>
<td>79.9</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 11, Contributions for social insurance. Unadjusted flow from SCB, NIPA table 9.4, line 5, Contributions for social insurance. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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</table>
## Table F.105—Continued

<table>
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<tr>
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<tbody>
<tr>
<td>4. Grants-in-aid to state and local governments from the federal government</td>
<td>206403001</td>
<td>225.0</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 19, Grants-in-aid to state and local governments; also shown in NIPA table 3.3, line 12, Federal grants-in-aid. Unadjusted flow from SCB, NIPA table 9.3, line 11, Grants-in-aid to state and local governments; also shown in NIPA table 9.4, line 6, Federal grants-in-aid. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<tr>
<td>5. Current expenditures of state and local governments, NIPA basis</td>
<td>206900005</td>
<td>960.2</td>
<td>Sum of lines 6 and 7.</td>
</tr>
<tr>
<td>6. Consumption expenditures of state and local governments</td>
<td>206901001</td>
<td>758.8</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 14, Consumption expenditures. Unadjusted flow from SCB, NIPA table 9.4, line 8, Consumption expenditures. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>7. Net interest paid and transfer payments made by state and local governments</td>
<td>206400005</td>
<td>201.4</td>
<td>Sum of lines 7a, 7b, and 7c; less lines 7d and 7e.</td>
</tr>
<tr>
<td>7a. Net interest paid by state and local governments</td>
<td>206130001</td>
<td>−77.4</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 16, Net interest paid. Unadjusted flow from SCB, NIPA table 9.4, line 10, Net interest paid. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>7b. Transfer payments to persons made by state and local governments</td>
<td>206401001</td>
<td>304.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 15, Transfer payments to persons. Unadjusted flow from SCB, NIPA table 9.4, line 9, Transfer payments to persons. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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### F.105 State and Local Governments, Excluding Employee Retirement Funds—Continued

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<tr>
<td>7c. Subsidies less current surplus of state and local government enterprises</td>
<td>206402001</td>
<td>-10.5</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 20, Subsidies less current surplus of government enterprises. Unadjusted flow from SCB, NIPA table 9.4, line 14, Subsidies less current surplus of government enterprises. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<tr>
<td>7d. Dividends received by state and local governments</td>
<td>206120001</td>
<td>14.8</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 19, Dividends received by government. Unadjusted flow from SCB, NIPA table 9.4, line 13, Dividends received by government. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
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<tr>
<td>7e. Wage accruals less disbursements by state and local governments</td>
<td>206700001</td>
<td>.0</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 23, Wage accruals less disbursements. Unadjusted flow from SCB, NIPA table 9.4, line 17, Wage accruals less disbursements. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>8. Current surplus (or deficit) of state and local governments, NIPA basis</td>
<td>206061105</td>
<td>134.1</td>
<td>Line 1 less line 5.</td>
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<tr>
<td>9. Consumption of fixed capital by state and local governments</td>
<td>206300001</td>
<td>81.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 5.1, line 16, Consumption of fixed capital. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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## Table F.105—Continued

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<tr>
<td>10. Change in pension fund reserve liabilities of state and local</td>
<td>223150005</td>
<td>79.5</td>
<td>Equal to net investment in tangible assets (line 10a less line 10b) plus net acquisition of financial assets (line 10c less line 10d). In the flow of funds accounts, saving equal to the value of this series is transferred from the state and local government sector to the households and nonprofit organizations sector; the corresponding addition appears in the households and nonprofit organizations sector table (F.100) as part of line 6. This adjustment is made in order to maintain consistency with the national income and product accounts in the treatment of private pension fund reserves.</td>
</tr>
<tr>
<td>government employee retirement funds</td>
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</tr>
<tr>
<td>10a. Fixed nonresidential structures investment by state and local</td>
<td>225013063</td>
<td>1.6</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NF6B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NF611EQ00), insurance carriers (I3NF631EQ00), and holding and other investment offices (I3NF671EQ00), plus Structures for commercial and mutual depository institutions (I3NF6B1ST00), nondepository institutions (I3NF611ST00), insurance carriers (I3NF631ST00), and holding and other investment offices (I3NF671ST00); the sum is multiplied by the ratio of investment in nonresidential structures by insurance carriers to investment in equipment and nonresidential structures by insurance carriers, and multiplied by the ratio of tangible assets reported by state and local government employee retirement funds to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using NIPA total investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator. Unadj usted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. State and local government employee retirement funds are assumed to have no equipment.</td>
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### F.105 State and Local Governments, Excluding Employee Retirement Funds—Continued

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<tr>
<td>10b.</td>
<td>226330063</td>
<td>1.4</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NF16B1EQ00; revisions and updates provided by BEA), nondepository institutions M1NF1611EQ00), insurance carriers (M1NF1631EQ00), and holding and other investment offices (M1NF1671EQ00), plus Structures for commercial and mutual depository institutions (M1NF16B1ST00), nondepository institutions (M1NF1611ST00), insurance carriers (M1NF1631ST00), and holding and other investment offices (M1NF1671ST00); the sum is multiplied by the ratio of consumption of fixed nonresidential structures capital by insurance carriers to consumption of fixed nonresidential equipment and structures capital by insurance carriers, and multiplied by the ratio of tangible assets reported by state and local government employee retirement funds to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships. State and local government employee retirement funds are assumed to have no equipment.</td>
</tr>
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<td>Component</td>
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<td>1997 value (billions of dollars)</td>
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<tr>
<td>10c. Change in total assets reported by state and local government</td>
<td>224090003</td>
<td>79.9</td>
<td>Unadjusted flow from Quarterly Survey of the Finances of Public-Employee Retirement Systems (data provided by Bureau of the Census), part I, sum of line A.1, Employee contributions, line A.2, Government contributions, line A.3, Earnings on investments, and line A.4, Other receipts, less the sum of line B.1, Benefits paid, line B.2, Withdrawals, and line B.3, Other payments. Level is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>10d. Change in tangible assets of state and local government, at book value</td>
<td>225013103</td>
<td>.7</td>
<td>Fiscal-year-end level from Employee-Retirement Systems of State and Local Governments, table 1, National Summary of State and Local Government Employee-Retirement System Finances, Real property. Data were formerly published annually, with a lag of several years; latest volume available is part of the 1992 quinquennial Census of Governments. Series is converted to quarterly and estimated for current periods using data from Quarterly Survey of the Finances of Public-Employee Retirement Systems, part II, line G.1, Real property. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>11. Gross saving of state and local governments</td>
<td>206000105</td>
<td>135.6</td>
<td>Sum of lines 8 and 9, less line 10.</td>
</tr>
<tr>
<td>13. Fixed investment by state and local governments</td>
<td>205019001</td>
<td>175.6</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.7, line 35, Gross investment by state and local governments. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>Component</td>
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<tr>
<td>15. Net acquisition of financial assets by state and local governments,</td>
<td>214090005</td>
<td>35.4</td>
<td>Sum of lines 16, 17, 18, 19, 27, 28, 29, and 30.</td>
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<tr>
<td>excluding employee retirement funds</td>
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<tr>
<td>16. Change in checkable deposits and currency held by state and local</td>
<td>213020005</td>
<td>1.5</td>
<td>Line 16a less lines 16b and 16c.</td>
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<tr>
<td>governments, excluding employee retirement funds</td>
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<tr>
<td>16a. Change in transaction deposits held by state and local governments</td>
<td>723128000</td>
<td>2.2</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-E, Total transaction accounts, States and political subdivisions in the U.S. (series RCON2203). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<tr>
<td>at U.S.-chartered commercial banks</td>
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<tr>
<td>16b. Change in adjustment to balance reporting differences in demand</td>
<td>903028003</td>
<td>0.0</td>
<td>Fiscal-year-end level calculated by FOF Section using data on deposit liabilities to state and local governments from quarterly Report of Condition for U.S.-chartered commercial banks and data on cash and deposits held by state and local governments from former Bureau of the Census publication Government Finances. In 1987, the Bureau of the Census discontinued reporting cash and deposits as separate items in Government Finances; the unadjusted flow for this series was lowered to zero over the following two years, and the level has been carried forward unchanged since then. For earlier years, data are annual; series is converted to quarterly by K-L method, with unadjusted flow equal to the change in the level. Quarterly values for the unadjusted flow are zero beginning 1989-Q4; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>deposits held by state and local governments</td>
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<tr>
<td>16c. Change in checkable deposits and currency held by state and local</td>
<td>223020000</td>
<td>0.7</td>
<td>Fiscal-year-end level from Employee-­Retirement Systems of State and Local Governments, table 1, National Summary of State and Local Government Employee-­Retirement System Finances, Cash and demand deposits. Data were formerly published annually, with a lag of several years; latest volume available is part of the 1992 quinquennial Census of Governments. Series is converted to quarterly and estimated for current quarters using data from Quarterly Survey of the Finances of Public-Employee Retirement Systems (provided by Bureau of the Census), part II, line A.1, Cash on hand and demand deposits. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-­ARIMA procedure.</td>
</tr>
<tr>
<td>government employee retirement funds</td>
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</tr>
<tr>
<td>17. Change in time and savings deposits held by state and local governments, excluding employee retirement funds</td>
<td>213030005</td>
<td>6.1</td>
<td>Line 17a less change in time deposits held by state and local government employee retirement funds (equal to line 17b less line 16c).</td>
</tr>
<tr>
<td>17a. Change in time deposits held by state and local governments</td>
<td>203030000</td>
<td>5.9</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-E, Total nontransaction accounts (including MMDAs), States and political subdivisions in the U.S. (series RCON2530). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<tr>
<td>17b. Change in holdings of cash balances reported by state and local government employee retirement funds</td>
<td>223024003</td>
<td>.5</td>
<td>Fiscal-year-end level from Employee-Retirement Systems of State and Local Governments, table 1, National Summary of State and Local Government Employee-Retirement System Finances, Time, savings deposits, and nonfederal short-term investments, allocated among cash balances, security repurchase agreements, and open market paper using distribution of assets reported in Quarterly Survey of the Finances of Public-Employee Retirement Systems (data provided by Bureau of the Census). Data were formerly published annually, with a lag of several years; latest volume available is part of the 1992 quinquennal Census of Governments. Series is converted to quarterly and estimated for current periods using data from quarterly survey cited above, part II, sum of line A.1, Cash on hand and demand deposits, and line A.2, Time or savings deposits. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>18. Change in outstanding loans held by state and local governments, excluding employee retirement funds, under security repurchase agreements</td>
<td>212050003</td>
<td>3.6</td>
<td>Level is FOF Section estimate based on information on repurchase agreements held from financial reports of the states that hold the majority of the financial assets of the sector. For each state, the reports comprise the comprehensive annual financial report, reports on investment pools of the state and its local governments, and financial statements of the retirement funds for the state. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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F.105  State and Local Governments, Excluding Employee Retirement Funds—Continued

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<tr>
<td>19. Change in credit market assets of state and local governments,</td>
<td>214004005</td>
<td>−.3</td>
<td>Sum of lines 20, 21, 24, 25, and 26.</td>
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<tr>
<td>excluding employee retirement funds</td>
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<tr>
<td>20. Change in open market paper held by state and local governments,</td>
<td>213069103</td>
<td>11.3</td>
<td>Level is FOF Section estimate based on information on commercial paper held from financial reports of the states that hold the majority of the financial assets of the sector. For each state, the reports comprise the comprehensive annual financial report, reports on investment pools of the state and its local governments, and financial statements of the retirement funds for the state. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>excluding employee retirement funds</td>
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<td></td>
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</tr>
<tr>
<td>21. Change in U.S. government securities held by state and local</td>
<td>213061005</td>
<td>−8.5</td>
<td>Sum of lines 22 and 23.</td>
</tr>
<tr>
<td>governments, excluding employee retirement funds</td>
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<tr>
<td>22. Change in U.S. Treasury securities held by state and local governments</td>
<td>21306105</td>
<td>−17.7</td>
<td>Sum of lines 22a and 22b.</td>
</tr>
<tr>
<td>excluding employee retirement funds</td>
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<tr>
<td>22a. Change in U.S. Treasury securities, except for nonmarketable U.S.</td>
<td>21306103</td>
<td>−40.5</td>
<td>Level is FOF Section estimate based on information on U.S. government securities held from financial reports of the states that hold the majority of the financial assets of the sector. For each state, the reports comprise the comprehensive annual financial report, reports on investment pools of the state and its local governments, and financial statements of the retirement funds for the state. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>Treasury securities (SLGS), held by state and local governments,</td>
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<tr>
<td>excluding employee retirement funds</td>
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<tr>
<td>22b. Change in nonmarketable U.S. Treasury securities (SLGS) issued to</td>
<td>213061120</td>
<td>22.8</td>
<td>Level from Monthly Statement of the Public Debt, table 1, Summary of Public Debt Outstanding, Interest-bearing debt, Nonmarketable, State and local government series. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>state and local governments, excluding employee retirement funds</td>
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Table F.105—Continued

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<tr>
<td>23. Change in U.S. government agency securities held by state and local</td>
<td>213061703</td>
<td>9.2</td>
<td>Level is FOF Section estimate based on information on U.S. government securities held from financial reports of the states that hold the majority of the financial assets of the sector. For each state, the reports comprise the comprehensive annual financial report, reports on investment pools of the state and its local governments, and financial statements of the retirement funds for the state. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>and local governments, excluding employee retirement funds</td>
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<tr>
<td>24. Change in municipal securities held by state and local governments,</td>
<td>213062003</td>
<td>.2</td>
<td>Level is FOF Section estimate based on information on municipal securities held from financial reports of the states that hold the majority of the financial assets of the sector. For each state, the reports comprise the comprehensive annual financial report, reports on investment pools of the state and its local governments, and financial statements of the retirement funds for the state. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>excluding employee retirement funds</td>
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</tr>
<tr>
<td>25. Change in corporate and foreign bonds held by state and local</td>
<td>213063003</td>
<td>-6.9</td>
<td>Level is FOF Section estimate based on information on corporate, foreign, and asset-backed bonds held from financial reports of the states that hold the majority of the financial assets of the sector. For each state, the reports comprise the comprehensive annual financial report, reports on investment pools of the state and its local governments, and financial statements of the retirement funds for the state. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>and local governments, excluding employee retirement funds</td>
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</tr>
<tr>
<td>26. Change in mortgages held by state and local governments, excluding</td>
<td>213065005</td>
<td>3.6</td>
<td>Sum of lines 26a, 26b, 26c, and 26d.</td>
</tr>
<tr>
<td>employee retirement funds</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### F.105 State and Local Governments, Excluding Employee Retirement Funds—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>26a. Change in home mortgages held by state and local governments, excluding employee retirement funds</td>
<td>213065103</td>
<td>3.0</td>
<td>Unadjusted flow from HUD Survey of Mortgage Lending Activity, table 3, Quarterly Gross Flows of Long-Term Mortgage Loans, column Net change, State and local credit agencies, One- to four-family homes. Level is obtained by adding flow to preceding level; series is part of FR Bulletin, table 1.54, line 74, Mortgages on one-to four-family residences held by individuals and others. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>26b. Change in multifamily residential mortgages held by state and local governments, excluding employee retirement funds</td>
<td>213065403</td>
<td>.3</td>
<td>Unadjusted flow from HUD Survey of Mortgage Lending Activity, table 3, Quarterly Gross Flows of Long-Term Mortgage Loans, column Net change, State and local credit agencies, Multifamily. Level is obtained by adding flow to preceding level; series is part of FR Bulletin, table 1.54, line 75, Mortgages on multifamily residences held by individuals and others. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>26c. Change in commercial mortgages held by state and local governments, excluding employee retirement funds</td>
<td>213065503</td>
<td>.3</td>
<td>Unadjusted flow from HUD Survey of Mortgage Lending Activity, table 3, Quarterly Gross Flows of Long-Term Mortgage Loans, column Net change, State and local credit agencies, Nonresidential. Level is obtained by adding flow to preceding level; series is part of FR Bulletin, table 1.54, line 76, Mortgages on nonfarm, nonresidential properties held by individuals and others. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>26d. Change in farm mortgages held by state and local governments, excluding employee retirement funds</td>
<td>213065603</td>
<td>.0</td>
<td>Unadjusted flow from HUD Survey of Mortgage Lending Activity, table 3, Quarterly Gross Flows of Long-Term Mortgage Loans, column Net change, State and local credit agencies, Farm properties. Level is obtained by adding flow to preceding level; series is part of FR Bulletin, table 1.54, line 77, Mortgages on farm properties held by individuals and others. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>---------</td>
<td>---------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>27. Net purchases of corporate equities by state and local governments, excluding employee retirement funds</td>
<td>213064103</td>
<td>1.3</td>
<td>Level is FOF Section estimate based on information on corporate equities held from financial reports of the states that hold the majority of the financial assets of the sector; level is at book value. For each state, the reports comprise the comprehensive annual financial report, reports on investment pools of the state and its local governments, and financial statements of the retirement funds for the state. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>28. Net purchases of mutual fund shares by state and local governments, excluding employee retirement funds</td>
<td>213064203</td>
<td>3.6</td>
<td>Level is FOF Section estimate based on information on mutual fund shares held from financial reports of the states that hold the majority of the financial assets of the sector; level is at book value. For each state, the reports comprise the comprehensive annual financial report, reports on investment pools of the state and its local governments, and financial statements of the retirement funds for the state. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>29. Change in business taxes receivable by state and local governments, excluding employee retirement funds</td>
<td>213078005</td>
<td>−.8</td>
<td>Sum of lines 2c and 29a, less line 29b.</td>
</tr>
</tbody>
</table>
### F.105  State and Local Governments, Excluding Employee Retirement Funds—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>29a. Change in taxes payable by nonfarm noncorporate business</td>
<td>113178203</td>
<td>1.3</td>
<td>Year-end level primarily from SOI Bulletin, annual article Partnership Returns, table Balance Sheets, by Profit Status and Industrial Group, sum of Other current liabilities and Other liabilities (total for all industries except farms and finance), allocated between taxes payable and miscellaneous liabilities on the basis of relationships reported in the QFR for taxes payable and miscellaneous liabilities of small nonfinancial corporations. Level also includes FOF Section estimates for taxes payable by nonfarm nonfinancial sole proprietorships based on the relationship of proprietorship income to partnership income from the SOI Bulletin. Data are annual and are available with a lag of several years; series is converted to quarterly by K-L method. Data for current quarters are FOF Section estimates based on noncorporate income. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>29b. Corporate tax payments to state and local governments</td>
<td>206233100</td>
<td>38.1</td>
<td>Annual flow from data on state and local government tax collections published on the Bureau of the Census Internet site. Data are available with a lag of several years; series is converted to unadjusted quarterly flow using data on tax accruals. Data for current quarters are estimated by FOF Section on the basis of previous relationships. Seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>30. Change in unidentified miscellaneous assets of state and local governments, excluding employee retirement funds</td>
<td>213093005</td>
<td>20.4</td>
<td>Line 30 less lines 16, 17, 18, 20, 22a, 23, 24, 25, 26, 27, 28, and 29.</td>
</tr>
<tr>
<td>30a. Change in total assets reported by state and local governments, excluding employee retirement funds</td>
<td>214090093</td>
<td>12.6</td>
<td>Level is FOF Section estimate based on information on total financial assets held from financial reports of the states that hold the majority of the financial assets of the sector. For each state, the reports comprise the Comprehensive Annual Financial Report, reports on investment pools of the state and its local governments, and financial statements of the retirement funds for the state. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
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<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>31. Net increase in liabilities of state and local governments, excluding employee retirement funds</td>
<td>214190005</td>
<td>57.8</td>
<td>Sum of lines 32 and 37.</td>
</tr>
<tr>
<td>32. Change in credit market debt of state and local governments, excluding employee retirement funds</td>
<td>214102005</td>
<td>56.1</td>
<td>Sum of lines 33 and 36.</td>
</tr>
<tr>
<td>33. Change in outstanding municipal securities issued by state and local governments, excluding employee retirement funds</td>
<td>213162005</td>
<td>57.3</td>
<td>Sum of lines 34 and 35.</td>
</tr>
<tr>
<td>34. Change in outstanding short-term municipal securities issued by state and local governments, excluding employee retirement funds</td>
<td>213162400</td>
<td>8.3</td>
<td>Level calculated by FR Board, Capital Markets Section, using data from Securities Data Company. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure. This series comprises debt with an original maturity of thirteen months or less.</td>
</tr>
<tr>
<td>35. Change in outstanding municipal securities, other than short-term, issued by state and local governments, excluding employee retirement funds</td>
<td>213162205</td>
<td>49.0</td>
<td>Gross issuance of long-term obligations of state and local governments, excluding employee retirement funds (equal to line 35a less lines 35b, 35c, and 35d), less Retirements of obligations of state and local governments, excluding employee retirement funds (equal to line 35e less lines 35f and 35g).</td>
</tr>
<tr>
<td>35a. Gross issuance of long-term municipal debt owed by domestic nonfinancial nonfederal sectors</td>
<td>253162260</td>
<td>229.2</td>
<td>Unadjusted flow from Securities Data Company via FR Board, Capital Markets Section, Gross offerings of long-term municipal securities, sum of Taxable and Tax-exempt bonds. Level is obtained by adding flow to preceding level. Seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>35b. Gross issuance of municipal debt by nonprofit organizations (households and nonprofit organizations sector) to finance student loans</td>
<td>153162200</td>
<td>4.5</td>
<td>Unadjusted flow from Securities Data Company via FR Board, Capital Markets Section, Gross offerings of tax-exempt bonds by nonprofit organizations to finance student loans. Level is obtained by adding flow to preceding level. Seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
</tbody>
</table>
### F.105 State and Local Governments, Excluding Employee Retirement Funds—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>35c. Gross issuance of municipal debt by nonprofit hospitals (households and nonprofit organizations sector)</td>
<td>153162503</td>
<td>15.2</td>
<td>Unadjusted flow from Securities Data Company via FR Board, Capital Markets Section. Gross offerings of tax-exempt bonds by hospitals. Level is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>35d. Gross issuance of municipal securities owed by nonfarm nonfinancial corporate business</td>
<td>103162260</td>
<td>7.6</td>
<td>Unadjusted flow from Securities Data Company via FR Board, Capital Markets Section. Corporate-backed tax-exempt bonds. Level is obtained by adding flow to preceding level. Seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>35e. Retirements of long-term municipal debt owed by domestic nonfinancial nonfederal sectors</td>
<td>253162270</td>
<td>166.1</td>
<td>Unadjusted flow from MuniView (private data service), table U.S. Municipal Bond Redemptions, Total redemptions excluding Coupon payments. Level is obtained by adding flow to preceding level. Seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>35f. Retirements of municipal debt by nonprofit organizations (households and nonprofit organizations sector)</td>
<td>153162273</td>
<td>9.7</td>
<td>Unadjusted flow estimated by FOF Section using data published on the Bureau of the Census Internet site and data on gross issuance of municipal debt by nonprofit organizations to finance student loans (FOF series 153162200, line 35b above) and by nonprofit hospitals (153162503, line 35c above). Level is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>35g. Retirements of municipal securities owed by nonfarm nonfinancial corporate business</td>
<td>103162273</td>
<td>3.5</td>
<td>Unadjusted flow estimated by FOF Section using data published on the Bureau of the Census Internet site and data on gross issuance of municipal debt owed by nonfarm nonfinancial corporate business (FOF series 103162260, line 35d above). Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
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<td>---------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>36. Change in loans to state and local governments, excluding employee</td>
<td>213169203</td>
<td>-1.2</td>
<td>Level from unpublished Treasury Report on Receivables Due from the Public, Total Loan Receivables by Selected Entities, column Total loans receivable, USDA, sum of Rural Utilities Service, 5 percent of Rural communication development fund, 5 percent of Rural electrification and and telephone revolving fund, and 5 percent of Rural Telephone Bank accounts, and Rural Development, 75 percent of Other funds, 75 percent of Rural development insurance fund; and 75 percent of Rural development loan fund; plus Department of Commerce, Economic Development Administration, sum of Revolving fund and All other combined; plus Department of the Interior, Bureau of Reclamation, All other combined; plus Department of the Treasury, sum of Financial Management Service, All other combined, and District of Columbia, All other combined (account 90000) and All other combined (account 91100); plus Department of Transportation, Federal Highway Administration, sum of Right-of-way revolving fund and Federal Highway Administration loans; plus HUD, sum of Housing Programs, Low-rent public housing, and Community Planning and Development, 50 percent of Revolving fund, liquidating program, and 50 percent of Community development loans; plus Department of Energy, Bonneville Power Administration, Bonneville power fund; plus Department of Education, Office of Postsecondary Education, sum of 30 percent of Higher education facilities loans, 30 percent of College housing loans, and 30 percent of College housing and academic facilities loans. The value for the series for each quarter is an average for the most recent four quarters of the figures calculated by the above method. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value ( billions of dollars)</td>
<td>Explanation</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>------------</td>
<td>----------------------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>37. Change in trade payables owed by state and local governments, excluding employee retirement funds</td>
<td>213170003</td>
<td>1.8</td>
<td>Level estimated by FOF Section as 9.5 percent of amounts owed to other than employees, equal to the sum of SCB, NIPA table 3.7, line 28, Consumption expenditures of state and local governments, and line 35, Gross investment by state and local governments, net of line 40, Compensation of state and local government employees. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>38. Discrepancy for state and local governments, excluding employee retirement funds, equal to gross saving less gross investment</td>
<td>217005005</td>
<td>-17.6</td>
<td>Line 11 less line 12. The discrepancy is a use of funds in the FOF accounts.</td>
</tr>
</tbody>
</table>
Table F.106  Federal Government

The federal government sector comprises all federal government agencies and funds that are in the unified budget, including the civil service and railroad retirement funds, insurance funds, and the Exchange Stabilization Fund. Also included are government-owned corporations and agencies that issue securities individually, such as the Export-Import Bank. The sector does not include the District of Columbia government, which is part of the state and local governments sector. Nor does it include the Federal Reserve Banks and certain monetary accounts of the Treasury, which together form the monetary authority sector, or government-sponsored enterprises, even though several of them were formerly part of the federal government. The sector is presented in the flow of funds accounts on a consolidated basis, with holdings of Treasury securities by agencies within the federal government netted out. As a result, the liability for securities outstanding shown for the federal government in the accounts is smaller than the published value for the total public debt, which includes securities held by the federal agencies.

Data on the federal government sector for the flow of funds accounts come mainly from the national income and product accounts (NIPA), produced by the Bureau of Economic Analysis (BEA), and from the Department of the Treasury. Gross saving for the sector is derived from the federal government surplus shown in the NIPA, but it differs from the NIPA series in two major ways: In the flow of funds accounts, gross saving for the federal government (1) excludes the change in reserve liabilities for employee life insurance and retirement funds (in the flow of funds accounts this amount is assigned to the households and nonprofit organizations sector, to provide treatment parallel to that of private insurance and pension funds) and (2) includes receipts from the sale or lease of access rights (that is, rights to the use of Outer Continental Shelf lands and the broadcast frequency spectrum).\(^1\) Sales of access rights are shown in the federal budget as outlays; for most periods, the amounts shown are negative because they are payments to the federal government. Data showing net financial investment and related detail are obtained from Treasury Department publications—the Monthly Treasury Statement of Receipts and Outlays of the United States Government (referred to in this Guide as the Monthly Treasury Statement, or MTS) and the Monthly Statement of the Public Debt of the United States.

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1. In October 1999, the allocation of pension and insurance reserves in the NIPA was changed and now corresponds closely to the allocation in the flow of funds accounts.
Table F.106

Federal Government

Billions of dollars

<table>
<thead>
<tr>
<th>Year</th>
<th>Receipts, NIPA basis</th>
<th>Personal taxes</th>
<th>Corporate profits tax accruals</th>
<th>Indirect taxes</th>
<th>Social insurance receipts</th>
<th>Expenditures, NIPA basis</th>
<th>Consumption expenditures</th>
<th>Transfers, grants, etc.</th>
<th>Net interest</th>
<th>Surplus, NIPA basis</th>
<th>Consumer credit</th>
<th>Net financial investment</th>
<th>Change in cash balance (1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992</td>
<td>1198.5</td>
<td>490.8</td>
<td>118.6</td>
<td>81.9</td>
<td>507.1</td>
<td>1479.4</td>
<td>451.1</td>
<td>832.5</td>
<td>195.9</td>
<td>-280.9</td>
<td>65.9</td>
<td>-352.1</td>
<td>-16.9</td>
</tr>
<tr>
<td>1993</td>
<td>1275.1</td>
<td>522.6</td>
<td>138.3</td>
<td>87.0</td>
<td>572.3</td>
<td>1525.8</td>
<td>447.3</td>
<td>885.8</td>
<td>192.7</td>
<td>-250.7</td>
<td>67.9</td>
<td>-292.4</td>
<td>19.2</td>
</tr>
<tr>
<td>1994</td>
<td>1374.7</td>
<td>562.6</td>
<td>156.7</td>
<td>98.6</td>
<td>557.1</td>
<td>1561.4</td>
<td>443.2</td>
<td>918.1</td>
<td>200.0</td>
<td>-186.7</td>
<td>69.5</td>
<td>-248.4</td>
<td>-26.7</td>
</tr>
<tr>
<td>1995</td>
<td>1460.3</td>
<td>606.1</td>
<td>179.4</td>
<td>92.5</td>
<td>582.4</td>
<td>1634.7</td>
<td>442.9</td>
<td>967.1</td>
<td>224.8</td>
<td>-174.4</td>
<td>70.7</td>
<td>-167.0</td>
<td>-5.7</td>
</tr>
<tr>
<td>1996</td>
<td>1584.7</td>
<td>687.0</td>
<td>193.1</td>
<td>94.5</td>
<td>610.2</td>
<td>1695.0</td>
<td>450.9</td>
<td>1015.8</td>
<td>228.4</td>
<td>-110.3</td>
<td>70.7</td>
<td>-190.2</td>
<td>12.9</td>
</tr>
<tr>
<td>1997</td>
<td>1719.9</td>
<td>769.1</td>
<td>210.0</td>
<td>93.8</td>
<td>647.0</td>
<td>1741.0</td>
<td>460.4</td>
<td>1049.8</td>
<td>231.2</td>
<td>-21.1</td>
<td>70.6</td>
<td>-55.4</td>
<td>-2.2</td>
</tr>
</tbody>
</table>

Memo:

(1) Time and savings deposits (line 21) plus checkable deposit and currency liabilities of the monetary authority and commercial banking sectors (table F.204, lines 3 and 7).
### F.106 Federal Government

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Receipts of the federal government, NIPA basis</td>
<td>316010005</td>
<td>1,719.9</td>
<td>Sum of lines 2, 3, 4, and 5.</td>
</tr>
<tr>
<td>2. Personal tax and nontax receipts of the federal government</td>
<td>316210001</td>
<td>769.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 2, Personal tax and nontax receipts. Unadjusted flow from SCB, NIPA table 9.3, line 2, Personal tax and nontax receipts. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>3. Corporate profit tax accruals, including accruals by Federal Reserve Banks, owed to the federal government</td>
<td>316231005</td>
<td>210.0</td>
<td>Line 3a less line 3b.</td>
</tr>
<tr>
<td>3a. Corporate profit tax liabilities owed to state and local and federal governments</td>
<td>096231001</td>
<td>246.1</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.14, line 23, Corporate profits tax liability. Unadjusted flow from SCB, NIPA table 9.6, line 3, Corporate profits tax liability. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>3b. Accruals of corporate profit taxes owed to state and local governments</td>
<td>206231001</td>
<td>36.0</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.3, line 6, Corporate profits tax accruals. Unadjusted flow from SCB, NIPA table 9.4, line 3, Corporate profits tax accruals. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>4. Indirect business tax and nontax accruals owed to the federal government</td>
<td>316240001</td>
<td>93.8</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 9, Indirect business tax and nontax accruals. Unadjusted flow from SCB, NIPA table 9.3, line 4, Indirect business and nontax accruals. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
</tbody>
</table>
### Table F.106—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>5. Social insurance receipts of the federal government</td>
<td>316601001</td>
<td>647.0</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 13, Contributions for social insurance. Unadjusted flow from SCB, NIPA table 9.3, line 5, Contributions for social insurance. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>6. Current expenditures of the federal government, NIPA basis</td>
<td>316900005</td>
<td>1,741.0</td>
<td>Sum of lines 7, 8, and 9.</td>
</tr>
<tr>
<td>7. Consumption expenditures of the federal government</td>
<td>316901001</td>
<td>460.4</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 15, Consumption expenditures. Unadjusted flow from SCB, NIPA table 9.3, line 7, Consumption expenditures. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>8. Transfers and other payments made by the federal government</td>
<td>316400205</td>
<td>1,049.4</td>
<td>Sum of lines 8a, 8b, and 8c, less line 8d.</td>
</tr>
<tr>
<td>8a. Grants-in-aid to state and local governments from the federal government</td>
<td>206403001</td>
<td>225.0</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 19, Grants-in-aid to state and local governments; also shown in NIPA table 3.3, line 12, Federal grants-in-aid. Unadjusted flow from SCB, NIPA table 9.3, line 11, Grants-in-aid to state and local governments; also shown in NIPA table 9.4, line 6, Federal grants-in-aid. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>8b. Transfer payments made by the federal government, net</td>
<td>316401001</td>
<td>791.9</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 16, Transfer payments (net). Unadjusted flow from SCB, NIPA table 9.3, line 8, Transfer payments (net). For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
</tbody>
</table>
### F.106 Federal Government—Continued

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>8c. Subsidies less current surplus of federal government enterprises</td>
<td>316402001</td>
<td>32.5</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 25, Subsidies less current surplus of government enterprises. Unadjusted flow from SCB, NIPA table 9.3, line 17, Subsidies less current surplus of government enterprises. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>8d. Wage accruals less disbursements by the federal government</td>
<td>316700001</td>
<td>.0</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 28, Wage accruals less disbursements. Unadjusted flow from SCB, NIPA table 9.3, line 20, Wage accruals less disbursements. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>9. Net interest paid by the federal government</td>
<td>316132001</td>
<td>231.2</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 20, Net interest paid. Unadjusted flow from SCB, NIPA table 9.3, line 12, Net interest paid. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>10. Current surplus (or deficit) of the federal government, NIPA basis</td>
<td>316061105</td>
<td>-21.1</td>
<td>Line 1 less line 6.</td>
</tr>
<tr>
<td>11. Consumption of fixed capital by the federal government</td>
<td>316300001</td>
<td>70.6</td>
<td>Seasonally adjusted flow from SCB, NIPA table 5.1, line 13, Consumption of fixed capital by the federal government. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
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</tr>
<tr>
<td>12. Change in liabilities of the federal government for life insurance and retirement reserves</td>
<td>313154005</td>
<td>31.7</td>
<td>Sum of lines 12a, 12b, and 12c. In the flow of funds accounts, saving equal to the value of this series is transferred from the federal government sector to the households and nonprofit organizations sector; the corresponding addition appears in the households and nonprofit organizations sector table (F.100) as part of line 6. This adjustment is made in order to maintain consistency with the NIPA in the treatment of private pension fund reserves.</td>
</tr>
<tr>
<td>12a. Change in life insurance reserve liabilities of the federal government</td>
<td>313140003</td>
<td>.4</td>
<td>Level from Monthly Treasury Statement, table 6, schedule D, column Securities held as investments, Close of this month, Department of Veterans Affairs, sum of National service life insurance fund, U.S. government life insurance fund, and Veterans special life insurance fund. Unadjusted flow is the change in the level. Entire amount is assumed to be a liability of the federal government to the households and nonprofit organizations sector. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. The complete financial statement for the national service life insurance fund appears in the December issue of the Treasury Bulletin.</td>
</tr>
<tr>
<td>12b. Change in federal employee retirement reserve liabilities of the federal government</td>
<td>313151000</td>
<td>29.7</td>
<td>Level from Monthly Treasury Statement, table 6, schedule D, column Securities held as investments, Close of this month, Office of Personnel Management, Civil service retirement and disability fund, sum of Public debt securities and Agency securities. Entire amount is assumed to be a liability of the federal government to the households and nonprofit organizations sector. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure. The complete financial statement for the civil service retirement and disability fund appears in the December issue of the Treasury Bulletin.</td>
</tr>
<tr>
<td>12c. Change in railroad retirement reserve liabilities of the federal government</td>
<td>313152000</td>
<td>1.7</td>
<td>Level from Monthly Treasury Statement, table 6, schedule D, column Securities held as investments, Close of this month, Independent agencies, Railroad Retirement Board. Entire amount is assumed to be a liability of the federal government to the households and nonprofit organizations sector. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure. The complete financial statement for the railroad retirement account appears in the December issue of the Treasury Bulletin.</td>
</tr>
</tbody>
</table>
### F.106 Federal Government—Continued

<table>
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<tr>
<td>13. Gross saving of the federal government</td>
<td>316000105</td>
<td>17.8</td>
<td>Line 10 plus line 11, less line 12.</td>
</tr>
<tr>
<td>14. Gross investment by the federal government</td>
<td>315090005</td>
<td>-2.7</td>
<td>Sum of lines 15, 16, and 17.</td>
</tr>
<tr>
<td>15. Fixed investment by the federal government</td>
<td>315019001</td>
<td>59.8</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.7, sum of line 11, Federal government national defense gross investment, and line 24, Federal government nondefense gross investment. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>16. Sales of access rights by the federal government</td>
<td>315030005</td>
<td>-7.1</td>
<td>Equal to line 16a, with sign reversed.</td>
</tr>
<tr>
<td>16a. Purchases of access rights from the federal government by nonfarm nonfinancial corporate business</td>
<td>105030003</td>
<td>7.1</td>
<td>Unadjusted flow from Monthly Treasury Statement, table 5, Outlays of the U.S. Government, Spectrum auction proceeds, sum for months in time period, plus SCB, table 3.18B, line 21, Net purchases of nonproduced assets, Outer Continental Shelf. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>17. Net financial investment by the federal government</td>
<td>315000005</td>
<td>-55.4</td>
<td>Line 18 less line 29.</td>
</tr>
<tr>
<td>18. Net acquisition of financial assets by the federal government</td>
<td>314090005</td>
<td>-1.6</td>
<td>Sum of lines 19, 20, 21, 22, 26, 27, and 28.</td>
</tr>
<tr>
<td>19. Net acquisition of gold, special drawing rights, and official foreign exchange by the federal government, plus net change in share in U.S. position in the International Monetary Fund held by the federal government, both excluding the monetary authority</td>
<td>313011005</td>
<td>2.5</td>
<td>Line 19a net of line 19b, plus lines 19c, 19d, and 19e and 50 percent of line 19f.</td>
</tr>
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</tr>
<tr>
<td>19a. Change in U.S. holdings of monetary gold</td>
<td>883011203</td>
<td>.0</td>
<td>Level from FR Bulletin, table 3.12, line 2, Gold stock, including Exchange Stabilization Fund. Unadjusted flow from SCB, USIT table 1, line 35, Gold, with sign reversed; also shown in SCB, section BEA Current and Historical Data, International Data, table F.2, line 35, Gold, with sign reversed. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. The official gold stock of the U.S. is valued at $42.22 per fine troy ounce; gold held “under earmark” at FR Banks for foreign and international accounts is not included in the U.S. official stock.</td>
</tr>
<tr>
<td>19b. Change in monetary gold held by the monetary authority</td>
<td>713011203</td>
<td>*</td>
<td>Level from FR Bulletin, table 1.18, line 1, Gold certificate account, end-of-month data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. The official U.S. gold stock is valued at $42.22 per fine troy ounce.</td>
</tr>
<tr>
<td>19c. Net acquisition of special drawing rights by the federal government, excluding the monetary authority</td>
<td>313011303</td>
<td>.4</td>
<td>Level from FR Bulletin, table 3.12, line 3, Special drawing rights. Unadjusted flow from SCB, USIT table 1, line 36, Special drawing rights, with sign reversed; also shown in SCB, section BEA Current and Historical Data, International Data, table F.2, line 36, Special drawing rights. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. The seasonally adjusted and unadjusted flows for this series consist of transactions in SDRs; the flows exclude allocations of SDRs and revaluations of SDR holdings. Allocations of SDRs have been made by the IMF on January 1 of the year indicated, as follows: 1970, $867 million; 1971, $717 million; 1972, $710 million; 1973, $1,139 million; 1980, $1,152 million, and 1981, $1,093 million. Since January 1999, the level for this series has been valued on the basis of a weighted average of the exchange rates for the U.S. dollar, the euro, the Japanese yen, and the U.K. pound sterling.</td>
</tr>
</tbody>
</table>
### F.106  Federal Government—Continued

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<tr>
<td>19d. Change in U.S. position in the International Monetary Fund</td>
<td>263111403</td>
<td>3.6</td>
<td>Level from FR Bulletin, table 3.12, line 4, Reserve position in IMF. Unadjusted flow from SCB, USIT table 1, line 37, Reserve position in the IMF, with sign reversed; also shown in SCB, section BEA Current and Historical Data, International Data, table F.2, line 37, Reserve position in the IMF, with sign reversed. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. The seasonally adjusted and unadjusted flows for this series exclude revaluations.</td>
</tr>
<tr>
<td>19e. Change in deposits held by the International Monetary Fund at Federal Reserve Banks (monetary authority sector)</td>
<td>713111403</td>
<td>*</td>
<td>Level provided by FR Bank of New York. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>19f. Net U.S. official acquisition of foreign currencies</td>
<td>263111503</td>
<td>−2.9</td>
<td>Level from FR Bulletin, table 3.12, line 5, Foreign currencies. Unadjusted flow from SCB, USIT table 1, line 38, Foreign currencies, with sign reversed; also shown in SCB, section BEA Current and Historical Data, International Data, table F.2, line 38, Foreign currencies, with sign reversed. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. The seasonally adjusted and unadjusted flows for this series exclude revaluations of currency holdings; the level is valued at current market exchange rates.</td>
</tr>
</tbody>
</table>

#### 20. Change in checkable deposits and currency held by the federal government

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>20a. Change in the operating cash balance held by the federal government</td>
<td>313020005</td>
<td>−.5</td>
<td>Sum of lines 20a and 20b, less line 21 and less 50 percent of line 19f.</td>
</tr>
<tr>
<td>20b. Change in the operating cash balance held by the federal government</td>
<td>313024000</td>
<td>−.9</td>
<td>Level from Monthly Treasury Statement, table 6, Means of Financing the Deficit, column Account balances, U.S. Treasury operating cash, Balance. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
</tbody>
</table>
### Table F.106—Continued

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>20b. Change in cash and monetary assets, other than the operating</td>
<td>313026003</td>
<td>−.1</td>
<td>Level from Monthly Treasury Statement, table 6, Means of Financing the Deficit, column Account balances, Close of this month, Asset accounts, Other cash and monetary assets. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>cash balance, held by the federal government</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21. Change in time and savings deposits held by the federal government</td>
<td>313030003</td>
<td>1.0</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-E, Total nontransaction accounts (including MMDAs), U.S. government (series RCON2520). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>22. Change in credit market assets of the federal government</td>
<td>314002005</td>
<td>4.9</td>
<td>Sum of lines 23, 24, and 25.</td>
</tr>
<tr>
<td>23. Change in outstanding loans to the Farmers Home Administration (now</td>
<td>313061703</td>
<td>0</td>
<td>Level formerly provided by Department of the Treasury. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1974:Q2 for levels and 1974:Q3 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Series is included in totals for U.S. government agency securities.</td>
</tr>
<tr>
<td>part of the Farm Service Agency) held by the federal government</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>24. Change in mortgages held by the federal government</td>
<td>313065005</td>
<td>−4.5</td>
<td>Sum of lines 24a through 24h.</td>
</tr>
<tr>
<td>24a. Change in home mortgages held by the federal government, excluding</td>
<td>323065103</td>
<td>−2.1</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from various government sources; series can be calculated from FR Bulletin, table 1.54, Mortgages on one-to four-family residences held by federal and related agencies: sum of line 24, GNMA, line 27, FmHA, line 32, FHA and VA, line 35, RTC, and line 40, FDIC. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>the Federal Financing Bank</td>
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### Federal Government—Continued

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<tr>
<td>24b. Change in home mortgages held by the Federal Financing Bank</td>
<td>343065103</td>
<td>0</td>
<td>Level from USDA, Farmers Home Administration (now part of the Farm Service Agency), Finance Office, unpublished table Loans Outstanding under Farmers Home Program, Nonfarm mortgage debt on family housing, sum of Loans receivable held by investors and Certificates of beneficial ownership; this figure is multiplied by the ratio of Farmers Home Administration loans held by the Federal Financing Bank (unpublished data on agency loans purchased are provided to FR Board by the Department of the Treasury) net of the sum of Loans receivable held by investors and Certificates of beneficial ownership for Mortgage debt on nonfarm commercial property and Nonmortgage debt, from the Farmers Home Administration table cited above, to the sum of Loans receivable and Certificates of beneficial ownership for Farm mortgage debt, Nonfarm mortgage debt on family housing, and Nonfarm mortgage debt on multifamily housing, from the same table. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1986:Q4 for levels and 1987:Q1 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>24c. Change in multifamily residential mortgages held by the federal government, excluding the Federal Financing Bank</td>
<td>323065403</td>
<td>-0.9</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from various government sources; series can be calculated from FR Bulletin, table 1.54, Mortgages on multifamily residences held by federal and related agencies: sum of line 25, GNMA, line 28, FmHA, line 33, FHA and VA, line 36, RTC, and line 41, FDIC. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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</table>
## Table F.106—Continued

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<tr>
<td>24d. Change in multifamily residential mortgages held by the Federal Financing Bank</td>
<td>343065403</td>
<td>.0</td>
<td>Level from USDA, Farmers Home Administration (now part of the Farm Service Agency), Finance Office, unpublished table Loans Outstanding under Farmers Home Program, Nonfarm mortgage debt on multifamily housing, sum of Loans receivable held by investors and Certificates of beneficial ownership; this figure is multiplied by the ratio of Farmers Home Administration loans held by the Federal Financing Bank (unpublished data on agency loans purchased are provided to FR Board by the Department of the Treasury) net of the sum of Loans receivable held by investors and Certificates of beneficial ownership for Mortgage debt on nonfarm commercial property and Nonmortgage debt, from the Farmers Home Administration table cited above, to the sum of Loans receivable and Certificates of beneficial ownership for Farm mortgage debt, Nonfarm mortgage debt on family housing, and Nonfarm mortgage debt on multifamily housing, from the same table. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1986:Q4 for levels and 1987:Q1 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>24e. Change in commercial mortgages held by the federal government, excluding the Federal Financing Bank</td>
<td>323065503</td>
<td>-.6</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from various government sources; series can be calculated from FR Bulletin, table 1.54, Mortgages on nonfarm nonresidential property held by federal and related agencies: sum of line 29, FmHA, line 37, RTC, and line 42, FDIC. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>24f. Change in commercial mortgages held by the Federal Financing Bank</td>
<td>343065503</td>
<td>.0</td>
<td>Level from USDA, Farmers Home Administration (now part of the Farm Service Agency), Finance Office, unpublished table Loans Outstanding under Farmers Home Program, Mortgage debt on nonfarm commercial property, sum of Loans receivable held by investors and Certificates of beneficial ownership. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1986:Q4 for levels and 1987:Q1 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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</table>
### Component Code

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<tbody>
<tr>
<td>24g. Change in farm mortgages held by the federal government, excluding the Federal Financing Bank</td>
<td>323065600</td>
<td>-.9</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from various government sources; series can be calculated from FR Bulletin, Table 1.54, Mortgages on farm property held by federal and related agencies: sum of line 30, FmHA, line 38, RTC, and line 43, FDIC. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>24h. Change in farm mortgages held by the Federal Financing Bank</td>
<td>343065603</td>
<td>.0</td>
<td>Level from USDA, Farmers Home Administration (now part of the Farm Service Agency), Finance Office, unpublished table Loans Outstanding under Farmers Home Program, Farm mortgage debt, sum of Loans receivable held by investors and Certificates of beneficial ownership; this figure is multiplied by the ratio of Farmers Home Administration loans held by the Federal Financing Bank (unpublished data on agency loans purchased are provided to FR Board by the Department of the Treasury) net of the sum of Loans receivable held by investors and Certificates of beneficial ownership for Mortgage debt on nonfarm commercial property and Nonmortgage debt, from the Farmers Home Administration table cited above, to the sum of Loans receivable and Certificates of beneficial ownership for Farm mortgage debt, Nonfarm mortgage debt on family housing, and Nonfarm mortgage debt on multifamily housing, from the same table. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1986:Q4 for levels and 1987:Q1 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>25. Change in outstanding other loans and advances held by the federal government</td>
<td>313069005</td>
<td>9.5</td>
<td>Sum of lines 25a through 25f, 25g net of 25h and 25i, and 25j.</td>
</tr>
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<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>25a. Change in loans to the households and nonprofit organizations sector, excluding loans on federal government life insurance policies, held by the federal government</td>
<td>153169203</td>
<td>11.4</td>
<td>Level from unpublished Treasury Report on Receivables Due from the Public, Total Loan Receivables by Selected Entities, column Total loans receivable, Department of the Interior, Bureau of Indian Affairs, sum of Guaranteed loans and Direct loans; plus PBGC, PBGC fund; plus Department of State, All other combined; plus VA, sum of Veterans Benefits Administration, All other combined, and Housing Credit Assistance, Active vendee loans (direct), Housing loan guarantees, and All other combined; plus FDIC, sum of Bank insurance fund and FSLIC resolution fund; plus FEMA, All other combined; plus SBA, 50 percent of Disaster loan fund accounts; plus HHS, sum of Health Resources and Services Administration, Health professions graduate student loan insurance accounts, Health professions graduate student loan financing account, and Medical facilities guarantee and loan fund, and Health Care Financing Administration, HMO loan fund; plus HUD, sum of Housing Programs, Flexible subsidy fund, 50 percent of FHA Title I (account 40701), 5 percent of FHA Title I (account 40702), 5 percent of FHA Title I (account 40703), and Housing for the elderly or handicapped fund, and Community Planning and Development, 50 percent of Revolving fund liquidating programs and 50 percent of Community development loans; plus Department of Education, Office of Postsecondary Education, sum of 70 percent of Higher education facilities loans, 70 percent of College housing loans, 23 percent of Guaranteed student loan accounts—assigned (account 42510), 15 percent of Guaranteed student loan accounts—assigned (account 42512), 70 percent of College housing and academic facilities loans, Federal direct student loan program, and Federal student loan insurance fund. The value for the series for each quarter is an average for the most recent four quarters of the figures calculated by the above method. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### F.106 Federal Government—Continued

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</tr>
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<tbody>
<tr>
<td>25b. Change in loans on federal government life insurance policies to the households and nonprofit organizations sector</td>
<td>313069403</td>
<td>*</td>
<td>Year-end level from annual publication Actuarial Analysis of Operations for Life Insurance Programs Administered by the Department of Veterans Affairs, sum of Policy loan assets of U.S. government life insurance fund, National service life insurance fund, Veterans special life insurance fund, Service-disabled veterans insurance fund, and Veterans reopened insurance fund. Data are annual; series is converted to quarterly by K-L method. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>25c. Change in loans to nonfarm nonfinancial corporate business held by the federal government</td>
<td>103169203</td>
<td>-.3</td>
<td>Level from unpublished Treasury Report on Receivables Due from the Public, Total Loan Receivables by Selected Entities, column Total loans receivable, USDA, Rural Development Administration, sum of 10 percent of Other funds, 10 percent of Rural development insurance fund, and 10 percent of Rural development loan fund; plus Department of Commerce, NOAA, sum of Coastal zone management fund, Fishing vessel obligations guarantees, Federal ship financing fund, and All other combined; plus GSA, General activities—other funds; plus EPA, All other combined; plus Department of Transportation, sum of FAA, All other combined, Federal Railroad Administration, All other combined, Office of the Secretary, All other combined, and Maritime Administration, Federal ship financing fund; plus OPIC, OPIC accounts; plus SBA, 25 percent of Pollution control equipment contract accounts, 25 percent of Disaster loan fund accounts, 65 percent of Business loan and investment fund accounts, and 25 percent of All other combined; plus Department of Energy, Departmental Administration, All other combined; plus Department of Defense, sum of Defense Agencies, Defense business operations fund, and Army, All other combined; plus, from Federal Financing Bank News, table on assets of the Federal Financing Bank, Government-guaranteed loans, sum of GSA, Department of the Interior—Virgin Islands, and Department of the Navy—Ship lease financing. The value for the series for each quarter is an average for the most recent four quarters of the figures calculated by the above method. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>25d. Change in loans to nonfarm noncorporate business held by the federal government</td>
<td>113169203</td>
<td>1.8</td>
<td>Level from unpublished Treasury Report on Receivables Due from the Public, Total Loan Receivables by Selected Entities, column Total loans receivable, USDA, Rural Utilities Service, sum of 95 percent of Rural communication development fund, 95 percent of Rural electrification and telephone revolving fund, and 95 percent of Rural Telephone Bank accounts, plus Rural Development, sum of 15 percent of Other Funds, 15 percent of Rural development insurance fund, and 15 percent of Rural development loan fund; plus FCC, All other combined; plus SBA, sum of 75 percent of Pollution control equipment contract accounts, 25 percent of Disaster loan fund accounts, 35 percent of Business loan and investment fund accounts, and 75 percent of All other combined. The value for the series for each quarter is an average for the most recent four quarters of the figures calculated by the above method. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>25e. Change in loans to farm business held by the federal government</td>
<td>133169203</td>
<td>−.5</td>
<td>Level from unpublished Treasury Report on Receivables Due from the Public, Total Loan Receivables by Selected Entities, column Total loans receivable, USDA, Rural Development and Farm Service Agency, sum of Rural economic development loans liquidating account, 50 percent of Agricultural credit insurance fund, and All other combined. The value for the series for each quarter is an average for the most recent four quarters of the figures calculated by the above method. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>25f. Change in loans to state and local governments, excluding employee retirement funds, held by the federal government</td>
<td>213169203</td>
<td>-1.2</td>
<td>Level from unpublished Treasury Report on Receivables Due from the Public, Total Loan Receivables by Selected Entities, column Total loans receivable, USDA, sum of Rural Utilities Service, 5 percent of Rural communication development fund, 5 percent of Rural electrification and and telephone revolving fund, and 5 percent of Rural Telephone Bank accounts, and Rural Development, 75 percent of Other funds, 75 percent of Rural development insurance fund, and 75 percent of Rural development loan fund; plus Department of Commerce, Economic Development Administration, sum of Revolving fund and All other combined; plus Department of the Interior, Bureau of Reclamation, All other combined; plus Department of the Treasury, sum of Financial Management Service, All other combined, and District of Columbia, All other combined (account 90000) and All other combined (account 91100); plus Department of Transportation, Federal Highway Administration, sum of Right-of-way revolving fund and Federal Highway Administration loans; plus HUD, sum of Housing Programs, Low-rent public housing, and Community Planning and Development, 50 percent of Revolving fund, liquidating program, and 50 percent of Community development loans; plus Department of Energy, Bonneville Power Administration, Bonneville power fund; plus Department of Education, Office of Postsecondary Education, sum of 30 percent of Higher education facilities loans, 30 percent of College housing loans, and 30 percent of College housing and academic facilities loans. The value for the series for each quarter is an average for the most recent four quarters of the figures calculated by the above method. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>25g. Net acquisition of foreign assets, other than official reserve assets, by the federal government</td>
<td>264191003</td>
<td>$-0.2$</td>
<td>Unadjusted flow from SCB, USIT table 1, line 39, U.S. government assets, other than official reserve assets, net, with sign reversed; also shown in SCB, section BEA Current and Historical Data, International Data, table F.2, line 39, U.S. government assets, other than official reserve assets, net. Fourth-quarter level from SCB, article International Investment Position of the U.S., table 1, line 10, U.S. government assets, other than official reserve assets; also shown in SCB, International Data, table G.1, line 10, U.S. government assets, other than official reserve assets. Level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>25h. Net non-official acquisition of foreign currencies and short-term assets by the federal government</td>
<td>313091003</td>
<td>*</td>
<td>Unadjusted flow from SCB, USIT table 1, line 42, U.S. foreign currency holdings and U.S. short-term assets, net, with sign reversed; also shown in SCB, section BEA Current and Historical Data, International Data, table F.2, line 42, U.S. foreign currency holdings and U.S. short-term assets, net, with sign reversed. Fourth-quarter level from SCB, article International Investment Position of the U.S., table 1, line 14, U.S. foreign currency holdings and U.S. short-term assets; also shown in International Data, table G.1, line 14, U.S. foreign currency holdings and U.S. short-term assets. Level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>25i. Change in equity in the International Bank for Reconstruction and Development and other international organizations held by the federal government</td>
<td>313092203</td>
<td>$1.6$</td>
<td>Unadjusted flow from SCB, USIT table 4, line A24, Capital subscriptions and contributions to international financial institutions, excluding IMF. Data are also published in Status of Letters of Credit Issued to International Organizations by Department of the Treasury, Total drawdowns less Drawdowns by International Monetary Fund, amount for fiscal year through current quarter less amount for fiscal year through preceding quarter. Level is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### F.106 Federal Government—Continued

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</thead>
<tbody>
<tr>
<td>Change in loans to Sallie Mae (government-sponsored enterprises sector) held by the federal government</td>
<td>403169203</td>
<td>.0</td>
<td>Level from Monthly Treasury Statement, table 6, schedule C (Memorandum), column Account balances, Close of this month, Borrowing from the Federal Financing Bank, Department of Education: Student Loan Marketing Association. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1994:Q1 for levels and 1994:Q2 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Change in trade receivables owed to the federal government by nonfarm nonfinancial corporations</td>
<td>313070000</td>
<td>−.7</td>
<td>Beginning 1987:Q4, level from current issue of QFR, table 45.1, Advances and prepayments by U.S. government. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>Change in business taxes receivable by the federal government</td>
<td>313078005</td>
<td>−1.8</td>
<td>Line 27a less line 27b.</td>
</tr>
<tr>
<td>Accruals of corporate profit taxes owed to the federal government</td>
<td>316231001</td>
<td>189.5</td>
<td>Seasonally adjusted flow from SCB, NIPA table 3.2, line 8, Corporate profits tax accruals, Other. Unadjusted flow from SCB, NIPA table 9.3, line 3, Corporate profits tax accruals, less SCB, NIPA table 3.2, line 7, Corporate profits tax accruals of Federal Reserve Banks, at quarterly rate. For recent quarters, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>Corporate tax payments to the federal government</td>
<td>316233100</td>
<td>191.3</td>
<td>Unadjusted flow from Monthly Treasury Statement, table 7, Receipts, Corporation income taxes, sum for months in time period. Excludes payments by FR System. Series has no levels; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>Change in total miscellaneous assets of the federal government</td>
<td>313090005</td>
<td>−6.9</td>
<td>Sum of lines 25i, 25j, 28a, and 28b.</td>
</tr>
<tr>
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<tr>
<td>28a. Change in equity in government-sponsored enterprises held by the federal government</td>
<td>313092303</td>
<td>.0</td>
<td>Year-end level from Treasury Bulletin, former table Corporations and Other Business-Type Activities, U.S. interest, Capital stock. Data are annual; series is converted to quarterly by FOF Section estimate. Unadjusted flow is the change in the level. The federal government formerly held equity investments in Federal Land Banks, retired in 1947; in Federal Home Loan Banks, retired in 1951; and in Banks for Cooperatives, Federal Intermediate Credit Banks, and Federal National Mortgage Association (Fannie Mae), all retired in 1968. (Federal Land Banks, Banks for Cooperatives, and Federal Intermediate Credit Banks are now part of the Farm Credit System.) Quarterly values for the series are zero beginning 1968:Q4 for levels and 1969:Q1 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>28b. Change in unidentified miscellaneous assets of the federal government</td>
<td>313093003</td>
<td>−8.5</td>
<td>Unadjusted flow from Monthly Treasury Statement, table 5, Outlays of the U.S. Government, column This month, Other independent agencies, FDIC, Total, Outlays, sum for months in time period, less FR Bulletin, table 1.54, line 34, RTC, and line 39, FDIC, change in amounts outstanding. Level for series is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>29. Net increase in liabilities of the federal government</td>
<td>314190005</td>
<td>53.8</td>
<td>Sum of lines 30, 31, 32, 37, 38, and 39.</td>
</tr>
<tr>
<td>30. Change in liabilities of the federal government for special drawing rights certificates</td>
<td>713014003</td>
<td>−.5</td>
<td>Level from FR Bulletin, table 1.18, line 2, Special drawing rights certificate account, end-of-month data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>31. Change in liability of the federal government for U.S. Treasury currency</td>
<td>31312003</td>
<td>*</td>
<td>Unadjusted flow from Monthly Treasury Statement, table 6, schedule A, Transactions not applied to current year’s surplus or deficit, Seigniorage, sum for months in time period (added to preceding level to derive level for current period); plus level from Monthly Statement of the Public Debt of the U.S., table III, Noninterest-bearing debt, U.S. notes and National and FR Bank notes assumed by the U.S. on deposit of lawful money for their retirement (unadjusted flow is the change in the level). Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>32. Change in credit market debt of the federal government</td>
<td>314102005</td>
<td>23.1</td>
<td>Sum of lines 33, 34, 35, and 36.</td>
</tr>
<tr>
<td>33. Change in savings bond liabilities of the federal government (assets of the households and nonprofit organizations sector)</td>
<td>313161400</td>
<td>–.5</td>
<td>Level from Monthly Statement of the Public Debt, table III, Interest-bearing debt, Nonmarketable, sum of Total U.S. savings bonds and U.S. savings notes, plus Noninterest-bearing debt, Subject to the statutory debt limit, sum of Matured U.S. savings bonds and Matured U.S. savings notes. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>34. Change in outstanding securities issued by the U.S. Treasury, excluding U.S. savings bonds</td>
<td>313161105</td>
<td>23.7</td>
<td>Sum of lines 34a and 34b.</td>
</tr>
<tr>
<td>34a. Change in outstanding public debt securities (excluding U.S. savings bonds) issued by the U.S. Treasury, held by the public and the monetary authority</td>
<td>313161100</td>
<td>23.7</td>
<td>Level from Monthly Treasury Statement, table 6, Means of Financing the Deficit, Liability accounts, column Account balances, Close of this month, Total public debt securities net of premium and discount, less Net federal securities held as investments of government accounts; less, from table 6, schedule D, column Securities held as investments, Close of this month, Trust funds, Total agency securities; less U.S. savings bonds (FOF series 313161400, line 33 above); and less government mortgage liabilities (313165403, line 36 below); plus SBA participation certificates omitted from the Monthly Treasury Statement (unpublished detail provided by the Congressional Budget Office). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<tr>
<td>34b. Change in special U.S. Treasury security issues held by Federal Home Loan Banks (government-sponsored enterprises sector)</td>
<td>403061773</td>
<td>.0</td>
<td>Level from Treasury Bulletin, former table FD-5, Special Public Debt Issues, column Federal Home Loan Banks. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1973:Q2 for levels and 1973:Q3 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>35. Change in outstanding agency security liabilities of the federal government</td>
<td>313161705</td>
<td>-.1</td>
<td>Sum of lines 35a, 35b, and 35c.</td>
</tr>
<tr>
<td>35a. Change in outstanding securities issued by federal agencies under special financing authorities, net of agency securities held as investments of federal government accounts in federal securities</td>
<td>313161703</td>
<td>-.1</td>
<td>Level from Monthly Treasury Statement, table 6, schedule B, column Account balances, Close of this month, Total, agency securities, less, from table 6, schedule D, column Securities held as investments, Close of this month, Trust funds, Total agency securities. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>35b. Change in outstanding Commodity Credit Corporation certificates of interest issued by the federal government</td>
<td>313169311</td>
<td>.0</td>
<td>Level from Treasury Bulletin, former table FD-7, Participation Certificates, column Agriculture Department, Commodity Credit Corporation, Outstanding. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1970:Q2 for levels and 1970:Q3 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>35c. Change in outstanding loan participation certificates, excluding Commodity Credit Corporation certificates of interest, issued by the federal government</td>
<td>313169333</td>
<td>.0</td>
<td>Level from Monthly Treasury Statement, table 6, schedule B, column Account balances, Close of this month, sum of Export-Import Bank of the U.S. (value is zero beginning February 1982) and GNMA (value is zero beginning August 1988); less U.S. government investment account holdings of participation certificates (unpublished detail for table 6, schedule D, provided by Department of the Treasury). Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1988:Q3 for levels and 1988:Q4 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>36. Change in multifamily residential mortgage debt of the federal government</td>
<td>313165403</td>
<td>*</td>
<td>Level from Monthly Treasury Statement, table 6, schedule B, column Account balances, Close of this month, sum of DOD, Family housing mortgages (value is zero beginning August 1996), and Coast Guard, Family housing mortgages, less U.S. government investment account holdings of mortgages, unpublished detail for schedule D, table 6, provided by the Department of the Treasury. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>37. Change in trade payables owned by the federal government</td>
<td>313170005</td>
<td>-.9</td>
<td>Sum of lines 37a, 37b, and 37c.</td>
</tr>
<tr>
<td>37a. Change in trade payables owed to nonfarm noncorporate business by the federal government</td>
<td>313170113</td>
<td>.2</td>
<td>Year-end level primarily from SOI Bulletin, annual article Partnership Returns, table Balance Sheets, by Profit Status and Industrial Group, Trade notes and accounts receivable (total for all industries except farms and finance). The level also includes FOF Section estimates for trade credit owed to nonfarm sole proprietorships by the federal government that are based on the relationship of proprietorship income to partnership income from the SOI Bulletin and on balance sheet relationships reported in the QFR for trade credit owed to small nonfinancial corporations. Data are annual and are available with a lag of several years; series is converted to quarterly by K-L method. Data for current quarters are FOF Section estimates based on noncorporate income. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>37b. Change in trade payables owed to nonfarm nonfinancial corporate business by the federal government</td>
<td>103070310</td>
<td>1.4</td>
<td>Beginning 1975:Q1, level from QFR, table 45.1, Trade receivables from U.S. government, multiplied by 98 percent of the most recent benchmark ratio of notes and accounts receivable, net, held by nonfarm nonfinancial corporations reported in SOI Source Book, Corporation Income Tax Returns, Returns with and without net income, tables for nonfarm nonfinancial corporations, line 4, Notes and accounts receivable, less line 5, Allowance for bad debts, to QFR, table 16.1, Trade accounts and trade notes receivable (less allowances for doubtful receivables), for the same time period. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<tr>
<td>37c. Change in liabilities, other than security liabilities, of the federal government to the rest of the world</td>
<td>263070313</td>
<td>–2.5</td>
<td>Unadjusted flow from SCB, USIT table 1, line 53, Other U.S. government liabilities; also shown in SCB, section BEA Current and Historical Data, International Data, table F.2, line 53, Other U.S. government liabilities. Fourth-quarter level from SCB, article International Investment Position of the U.S., table 1, line 30, Other U.S. government liabilities; also shown in SCB, International Data, table G.1, line 30, Other U.S. government liabilities. Level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>38. Change in liabilities of the federal government for life insurance and retirement reserves</td>
<td>313154005</td>
<td>31.7</td>
<td>Same as line 12.</td>
</tr>
<tr>
<td>39. Change in total miscellaneous liabilities of the federal government</td>
<td>313190005</td>
<td>.4</td>
<td>Sum of lines 39a, 39b, and 39c.</td>
</tr>
<tr>
<td>39a. Change in liabilities of the federal government for Postal Savings System deposits</td>
<td>313131003</td>
<td>.0</td>
<td>Fiscal-year-end level through 1965 published in Report of Operations of the Postal Savings System; monthly data on deposit liabilities through June 1967 were published in the FR Bulletin. Data from 1967:Q3 through 1985:Q2 estimated by FOF Section. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1985:Q3 for levels and 1968:Q1 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>39b. Change in unidentified miscellaneous liabilities of the federal government, excluding the Financing Corporation</td>
<td>313193003</td>
<td>1.1</td>
<td>Unadjusted flow from Monthly Treasury Statement, table 6, Means of Financing the Deficit, Liability accounts, Accrued interest payable to the public, less Asset accounts, Miscellaneous asset accounts, sum for months in time period, with smoothing over fiscal year by FOF Section if necessary. Series has no levels. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### F.106 Federal Government—Continued

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<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<td>39c. Change in unidentified miscellaneous liabilities of the Financing Corporation</td>
<td>313193103</td>
<td>−.6</td>
<td>Level from FICO, Balance Sheet, sum of Long-term obligations, net, and Nonvoting capital stock, less Total assets. Value for 1989:Q3 includes an adjustment of −$5 billion for RTC claims on savings and loan associations. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>40. Discrepancy for the federal government, equal to gross saving less gross investment</td>
<td>317005005</td>
<td>20.5</td>
<td>Line 13 less line 14. The discrepancy is a use of funds in the FOF accounts.</td>
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<tr>
<td>41. Memorandum item: Change in federal government cash balance</td>
<td>314000105</td>
<td>−2.2</td>
<td>Sum of lines 21, 41a, 41b, 41c, and 41d.</td>
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<tr>
<td>41a. Change in Treasury cash holdings (liability of the monetary authority)</td>
<td>713123203</td>
<td>*</td>
<td>Level from FR Bulletin, table 1.11, line 16, Treasury cash holdings, end-of-month data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>41b. Change in liabilities of Federal Reserve Banks (monetary authority sector) for the U.S. Treasury general deposit account</td>
<td>713123730</td>
<td>−2.3</td>
<td>Level from FR Bulletin, table 1.18, line 24, Deposit liabilities, U.S. Treasury—General account, end-of-month data. Also found in Monthly Treasury Statement, table 6, Cash and monetary assets, U.S. Treasury operating cash, FR account. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<td>41c. Change in transaction deposit liabilities of U.S.-chartered commercial banks to the federal government</td>
<td>723123200</td>
<td>−3.6</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-E, Deposits of U.S. government, Total transaction accounts (series RCON2202). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<td>41d. Change in demand notes owed to the federal government by U.S.-chartered commercial banks</td>
<td>723123300</td>
<td>2.7</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC, Demand notes issued to the U.S. Treasury (series RCON2840). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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Table F.107  Rest of the World

The rest of the world sector consists of all entities (individuals, firms, institutions, and governments) not residing in the U.S. that engage in transactions with U.S. residents; the account measures the participation of foreigners in U.S. markets only, and transactions exclusively among foreigners are not included. In the flow of funds accounts, the sector is constructed from the perspective of the foreigners, resulting in parallel treatment of the rest of the world sector and the domestic sectors in terms of their roles as suppliers and users of funds. Thus, the acquisition of domestic assets by both the rest of the world and the domestic sectors provides funding in U.S. capital markets, and increases in the liabilities of both the rest of the world and the domestic sectors represent borrowings of funds supplied by U.S. markets. The perspective in the flow of funds accounts is the opposite of that in the balance of payments accounts, published by the Bureau of Economic Analysis (BEA), which conceptually measure transactions from the standpoint of capital flows for the U.S. economy. That is, the balance of payments accounts measure an increase in foreign holdings of U.S. assets as a positive capital flow (inflow) for the U.S. and an increase in U.S. holdings of foreign assets as a negative capital flow (outflow) for the U.S., whereas the flow of funds accounts measure an increase in foreign holdings of U.S. assets as a positive use of funds for the rest of the world and an increase in U.S. holdings of foreign assets as a positive source of funds for the rest of the world.

Data for the sector on exports and imports of goods and services, factor income, and transfer payments are from the national income and product accounts (produced by BEA), which exclude Puerto Rico and other U.S.-affiliated areas. Sector coverage of foreign capital flows is the same as that in the balance of payments accounts (which include Puerto Rico and other U.S.-affiliated areas as part of the U.S.), with the important exception of international banking facilities (IBFs): The balance of payments accounts treat IBFs as domestic entities, whereas the flow of funds accounts, because IBF borrowing from and lending to U.S. residents is restricted by law, consider them foreign entities. Several differences also exist between the balance of payments accounts and the flow of funds accounts in their classification of some items; the most important difference is that in the flow of funds accounts, interbank claims and liabilities are netted, but in the balance of payments accounts they are not.
### Table F.107

**Rest of the World**

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<td>FA266903101 U.S. factor payments to foreign</td>
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<td>FA263090001 Foreign direct investment in U.S. (4)</td>
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### F.107 Rest of the World—Continued

**Billions of dollars**

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<td><strong>FA266902105</strong> + Net U.S. factor income</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>11.1</td>
<td>18.7</td>
<td>8.2</td>
<td>17.5</td>
<td>12.4</td>
<td>-8.0</td>
</tr>
<tr>
<td>57</td>
<td><strong>FA266400001</strong> - Net transfer payments to foreign</td>
<td><strong>FA266400001</strong> - Net transfer payments to foreign</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>32.0</td>
<td>36.6</td>
<td>37.3</td>
<td>34.2</td>
<td>40.4</td>
<td>39.5</td>
</tr>
<tr>
<td>58</td>
<td><strong>FA313011301</strong> + Net capital grants received</td>
<td><strong>FA313011301</strong> + Net capital grants received</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>59</td>
<td><strong>FA266000005</strong> (NIPA basis)</td>
<td><strong>FA266000005</strong> (NIPA basis)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-50.4</td>
<td>-78.6</td>
<td>-119.9</td>
<td>-100.6</td>
<td>-119.2</td>
<td>-140.9</td>
</tr>
</tbody>
</table>

(1) Line 1 minus line 5; also equal to line 59 with the sign reversed.
(2) U.S. net sales, sign reversed.
(3) Through 1992:Q4, corporate bonds include net issues by Netherlands Antillean financial subsidiaries; U.S. direct investment abroad excludes net inflows from those bond issues.
(4) Direct investment is valued on a current-cost basis. Excludes capital gains and losses.
(5) Includes American depositary receipts (ADRs).
(6) Balance of payments discrepancy adjusted to NIPA concepts.
(7) Consists of net receipts from foreigners of interest, corporate profits, and employee compensation. Equals difference between GNP and GDP.
### Table F.107

#### Rest of the World

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Foreign income from the U.S.</td>
<td>266903005</td>
<td>1,371.8</td>
<td>Sum of lines 2, 3, and 4.</td>
</tr>
<tr>
<td>2. U.S. imports of goods and services from the rest of the world</td>
<td>266903001</td>
<td>1,058.8</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.1, line 17, Imports. Unadjusted flow from SCB, NIPA table 9.1, line 17, Imports. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>3. U.S. payments of factor income to the rest of the world</td>
<td>266903101</td>
<td>273.5</td>
<td>Seasonally adjusted flow from SCB, NIPA table 4.1, line 15, Payments of factor income. Unadjusted flow from SCB, NIPA table 9.5, line 11, Payments of factor income. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>4. Net transfer payments from the U.S. to the rest of the world</td>
<td>266400001</td>
<td>39.5</td>
<td>Seasonally adjusted flow from SCB, NIPA table 4.1, line 16, Transfer payments (net). Unadjusted flow from SCB, NIPA table 9.5, line 12, Transfer payments (net). For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>5. Foreign outlays to the U.S.</td>
<td>266902005</td>
<td>1,230.9</td>
<td>Sum of lines 6, 7, and 8.</td>
</tr>
<tr>
<td>6. U.S. exports of goods and services to the rest of the world</td>
<td>266902001</td>
<td>965.4</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.1, line 14, Exports. Unadjusted flow from SCB, NIPA table 9.1, line 14, Exports. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
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<tr>
<td>--------------------------------------------------------------------------</td>
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<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>7. U.S. receipts of factor income from the rest of the world</td>
<td>266902101</td>
<td>265.5</td>
<td>Seasonally adjusted flow from SCB, NIPA table 4.1, line 7, Receipts of factor income. Unadjusted flow from SCB, NIPA table 9.5, line 5, Receipts of factor income. For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>8. Net capital grants received by the U.S. from the rest of the world</td>
<td>313011301</td>
<td>.0</td>
<td>Seasonally adjusted flow from SCB, NIPA table 4.1, line 8, Capital grants received by the U.S. (net). Unadjusted flow from SCB, NIPA table 9.5, line 6, Capital grants received by the U.S. (net). For recent quarters for which unadjusted NIPA data are not available, unadjusted flow is estimated by extrapolating the seasonal factor and subtracting it from the seasonally adjusted flow, after the seasonally adjusted flow has been converted from annual rate to quarterly rate.</td>
</tr>
<tr>
<td>9. Gross saving of the rest of the world in the U.S.</td>
<td>266000105</td>
<td>140.9</td>
<td>Line 1 less line 5; also equal to line 59, with sign reversed.</td>
</tr>
<tr>
<td>10. Net financial investment in the U.S. by the rest of the world</td>
<td>265000005</td>
<td>254.9</td>
<td>Line 11 less line 34.</td>
</tr>
<tr>
<td>11. Net acquisition of U.S. financial assets by the rest of the world</td>
<td>264090005</td>
<td>624.2</td>
<td>Sum of lines 12, 13, 14, 15, 16, 17, 28, 29, 30, and 31.</td>
</tr>
<tr>
<td>12. Net purchases of gold and special drawing rights from the U.S. by the rest of the world</td>
<td>263011005</td>
<td>–.4</td>
<td>Sum of lines 12a and 12b, with sign reversed. Equal to U.S. net sales.</td>
</tr>
<tr>
<td>12a. Change in U.S. holdings of monetary gold</td>
<td>883011203</td>
<td>.0</td>
<td>Level from FR Bulletin, table 3.12, line 2, Gold stock, including Exchange Stabilization Fund. Unadjusted flow from SCB, USIT table 1, line 35, Gold, with sign reversed; also shown in SCB, section BEA Current and Historical Data, International Data, table F.2, line 35, Gold, with sign reversed. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. The official gold stock of the U.S. is valued at $42.22 per fine troy ounce; gold held “under earmark” at FR Banks for foreign and international accounts is not included in the U.S. official stock.</td>
</tr>
<tr>
<td>Component</td>
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<td>1997 value (billions of dollars)</td>
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</tr>
<tr>
<td>-----------</td>
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<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>12b. Net acquisition of special drawing rights by the federal government, excluding the monetary authority</td>
<td>313011303</td>
<td>.4</td>
<td>Level from FR Bulletin, table 3.12, line 3, Special drawing rights. Unadjusted flow from SCB, USIT table 1, line 36, Special drawing rights, with sign reversed; also shown in SCB, section BEA Current and Historical Data, International Data, table F.2, line 36, Special drawing rights. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. The seasonally adjusted and unadjusted flows for this series consist of transactions in SDRs; the flows exclude allocations of SDRs and revaluations of SDR holdings. Allocations of SDRs have been made by the IMF on January 1 of the year indicated, as follows: 1970, $867 million; 1971, $717 million; 1972, $710 million; 1979, $1,139 million; 1980, $1,152 million, and 1981, $1,093 million. Since January 1999, the level for this series has been valued on the basis of a weighted average of the exchange rates for the U.S. dollar, the euro, the Japanese yen, and the U.K. pound sterling. Level from special Federal Reserve/Treasury tabulation of TIC data. Excludes liabilities denominated in foreign currencies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>13. Change in net interbank liabilities of the U.S. commercial banking sector to banks in foreign countries</td>
<td>764116005</td>
<td>−4.0</td>
<td>Sum of lines 13a through 13e, less lines 13f through 13l.</td>
</tr>
<tr>
<td>13a. Change in dollar liabilities of U.S.-chartered commercial banks to foreign affiliates</td>
<td>723192263</td>
<td>46.3</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Excludes liabilities denominated in foreign currencies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>13b. Change in dollar liabilities of foreign banking offices in the U.S. to foreign affiliates</td>
<td>753192263</td>
<td>−10.5</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Excludes liabilities denominated in foreign currencies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
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<td>Code</td>
<td>1997 value (billions of dollars)</td>
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</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
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<td>----------------------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>13c. Change in dollar liabilities of U.S. bank holding companies to foreign affiliates</td>
<td>733192003</td>
<td>.3</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Excludes liabilities denominated in foreign currencies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>13d. Change in foreign-currency liabilities owed to foreigners by international banking facilities of U.S.-chartered commercial banks and foreign banking offices in the U.S.</td>
<td>273111763</td>
<td>14.5</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>13e. Change in dollar liabilities owed to foreigners by international banking facilities of U.S.-chartered commercial banks and foreign banking offices in the U.S.</td>
<td>274100760</td>
<td>54.2</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>13f. Change in foreign-currency claims on foreigners held by international banking facilities of U.S.-chartered commercial banks and foreign banking offices in the U.S.</td>
<td>273011763</td>
<td>5.0</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>13g. Change in dollar claims on foreigners held by international banking facilities of U.S.-chartered commercial banks and foreign banking offices in the U.S.</td>
<td>274000760</td>
<td>36.7</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>13h. Change in deposits held by U.S.-chartered commercial banks at foreign banks</td>
<td>723022703</td>
<td>1.0</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-A, Balances due from banks in foreign countries and foreign central banks (series RCON0070). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
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<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>13i. Change in dollar claims of U.S.-chartered commercial banks on foreign affiliates</td>
<td>723092263</td>
<td>21.7</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Excludes claims denominated in foreign currencies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>13j. Change in deposits held by foreign banking offices in the U.S. at foreign banks</td>
<td>753022703</td>
<td>-.9</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule A, sum of Balances due from foreign branches of U.S. banks (series RCON0073) and Balances due from other banks in foreign countries and foreign central banks (RCON1884); for Edge and agreement corporations, schedule A, Balances due from banks in foreign countries and foreign central banks (RCFD0070 less RCFN0070); and for New York State investment companies (through 1996:Q2), schedule C, Balances with banks in foreign countries (RCON0051). Excludes claims of IBFs. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>13k. Change in dollar claims of foreign banking offices in the U.S. on foreign affiliates</td>
<td>753092263</td>
<td>45.7</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Excludes claims denominated in foreign currencies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>13l. Change in dollar claims of U.S. bank holding companies on foreign affiliates</td>
<td>733092003</td>
<td>-.4</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Excludes claims denominated in foreign currencies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>14. Change in U.S. checkable deposits and currency held by the rest of the world</td>
<td>263020005</td>
<td>29.9</td>
<td>Sum of lines 14a and 14b.</td>
</tr>
</tbody>
</table>
### F.107 Rest of the World—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>14a. Change in U.S. checkable deposits held by the rest of the world</td>
<td>263027003</td>
<td>5.1</td>
<td>Unadjusted flow and level from SCB, USIT table 9, sum of line A10, U.S. banks’ liabilities for own account, payable in dollars, Demand deposit liabilities to foreign official agencies; and line B9, U.S. banks’ own liabilities, Demand deposit liabilities to unaffiliated foreigners. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>14b. Change in U.S. currency held by the rest of the world</td>
<td>263025003</td>
<td>24.8</td>
<td>Unadjusted flow and level from SCB, USIT table 1, line 59, U.S. currency flows. Fourth-quarter level also shown in SCB, article International Investment Position of the U.S., table 1, line 38, U.S. currency, and SCB, section BEA Current and Historical Data, International Data, table G.1, line 38, U.S. currency. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>15. Change in time and savings deposits held in the U.S. by the rest of the world, including negotiable certificates of deposit</td>
<td>263030005</td>
<td>13.0</td>
<td>Sum of lines 15a and 15b.</td>
</tr>
<tr>
<td>15a. Change in time and savings deposits held in the U.S. by the rest of the world, excluding negotiable certificates of deposit (U.S. banks’ own liabilities to foreigners)</td>
<td>263030003</td>
<td>11.5</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Data represent the non-IBF components of SCB, USIT table 9, line A11, Foreign official assets in the U.S., U.S. banks' liabilities for own account, payable in dollars, Time deposits, and line B10, Other foreign assets in the U.S., U.S. banks' liabilities for own account, payable in dollars, Time deposits. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>15b. Change in negotiable certificates of deposit held in the U.S. by the rest of the world (U.S. banks’ custody liabilities to foreigners)</td>
<td>263030103</td>
<td>1.5</td>
<td>Unadjusted flow and level from SCB, USIT table 9, memorandum line 8, Negotiable certificates of deposit held for foreigners. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
</tbody>
</table>
### Table F.107—Continued

<table>
<thead>
<tr>
<th>Component</th>
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<th>1997 value (billions of dollars)</th>
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</tr>
</thead>
<tbody>
<tr>
<td>16. Change in outstanding loans to U.S. borrowers held by the rest of the world under security repurchase agreements</td>
<td>262050003</td>
<td>20.0</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Data represent the security repurchase agreements that are included in SCB, USIT table 9, line A12, Foreign official assets in the U.S., U.S. banks' liabilities for own account, payable in dollars, Other liabilities, and line B11, U.S. banks' own liabilities, payable in dollars, Other liabilities to unaffiliated foreigns. Includes loans to IBFs. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>17. Change in U.S. credit market assets of the rest of the world</td>
<td>264004005</td>
<td>312.5</td>
<td>Sum of lines 18, 19, 26, and 27.</td>
</tr>
<tr>
<td>18. Change in U.S. open market paper held by the rest of the world</td>
<td>263069603</td>
<td>19.9</td>
<td>Unadjusted flow and level from SCB, USIT table 9, sum of line A13, Foreign official assets in the U.S., Banks' custody liabilities, payable in dollars; and line B24, Negotiable and readily transferable instruments, less memorandum line 8, Negotiable certificates of deposit held for foreigners. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>19. Change in U.S. government securities held by the rest of the world</td>
<td>263061005</td>
<td>189.0</td>
<td>Sum of lines 20 and 23.</td>
</tr>
<tr>
<td>20. Change in U.S. government securities held by foreign official institutions</td>
<td>263061015</td>
<td>−2.9</td>
<td>Sum of lines 21 and 22.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
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<td>Explanation</td>
</tr>
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<td>--------------------------------------------------------------------------</td>
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</tr>
<tr>
<td>21. Change in U.S. Treasury securities held by foreign official institutions</td>
<td>263061113</td>
<td>-7.3</td>
<td>Unadjusted flow from SCB, USIT table 1, line 51, U.S. Treasury securities; also shown in SCB, section BEA Current and Historical Data, International Data, table F.2, line 51, U.S. Treasury securities. Fourth-quarter level from SCB, article International Investment Position of the U.S., table 1, line 28, U.S. Treasury securities; also shown in SCB, International Data, table G.1, line 28, U.S. Treasury securities. Level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>22. Change in U.S. government agency securities held by foreign official institutions</td>
<td>263061713</td>
<td>4.3</td>
<td>Unadjusted flow from SCB, USIT table 1, line 52, Other U.S. government securities; also shown in SCB, section BEA Current and Historical Data, International Data, table F.2, line 52, Other U.S. government securities. Fourth-quarter level from SCB, article International Investment Position of the U.S., table 1, line 29, Other U.S. government securities; also shown in SCB, International Data, table G.1, line 29, Other U.S. government securities. Level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>23. Change in U.S. government securities held by private foreigners</td>
<td>263061025</td>
<td>191.9</td>
<td>Sum of lines 24 and 25.</td>
</tr>
<tr>
<td>24. Change in U.S. Treasury securities held by private foreigners</td>
<td>263061123</td>
<td>146.7</td>
<td>Unadjusted flow from SCB, USIT table 1, line 58, U.S. Treasury securities. Fourth-quarter level from SCB, article International Investment Position of the U.S., table 1, line 37, U.S. Treasury securities; also shown in SCB, section BEA Current and Historical Data, International Data, table G.1, line 37, U.S. Treasury securities. Level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
</tbody>
</table>
### F.107—Continued

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</thead>
<tbody>
<tr>
<td>25. Change in U.S. government agency securities held by private foreigners</td>
<td>263061723</td>
<td>45.2</td>
<td>Unadjusted flow from SCB, USIT table 6, line B12, U.S. federally sponsored agency bonds, net foreign purchases. Level is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>26. Net purchases of U.S. corporate bonds and municipal securities by the</td>
<td>263063003</td>
<td>86.8</td>
<td>Sum of lines 26a and 26b.</td>
</tr>
<tr>
<td>rest of the world</td>
<td></td>
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</tr>
<tr>
<td>26a. Net purchases of U.S. corporate bonds and municipal securities by the</td>
<td>263063003</td>
<td>86.8</td>
<td>Unadjusted flow from SCB, USIT table 6, line B10, Corporate and other bonds, net foreign purchases (excludes purchases by foreign official agencies), less line B12, U.S. federally sponsored agency bonds, net (excludes purchases by foreign official agencies), plus memorandum line 3, U.S. corporate and other bonds purchased by foreign official agencies. Level is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>rest of the world, other than bonds sold by Netherlands Antillean</td>
<td></td>
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<td></td>
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<tr>
<td>financial subsidiaries</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>26b. Net issuance of bonds by Netherlands Antillean financial subsidiaries</td>
<td>263063103</td>
<td>0.0</td>
<td>Unadjusted flow and level provided by BEA. Flow series appears occasionally in USIT articles in SCB, in text table Transactions with Netherlands Antillean Finance Affiliates. Intercompany debt flows series used as a proxy for net bond transactions. Data for years before 1978 for this series include Eurobond transactions of Delaware subsidiaries operating abroad. Issuance is assumed to be purchased entirely by the rest of the world. Quarterly values for the series are zero beginning 1993:Q1; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
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### F.107 Rest of the World—Continued

<table>
<thead>
<tr>
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<th>Explanation</th>
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</thead>
<tbody>
<tr>
<td>27. Change in outstanding foreign loans to U.S. nonfarm nonfinancial</td>
<td>263068000</td>
<td>16.8</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data; plus FR Bulletin, table 3.17, line 48, Other foreigners, Banks’ custodial liabilities, Other; plus FR Board, International Banking Section, FFIEC 002S report, Loans secured by real estate (series CRCB1410) and Commercial and industrial loans (CRCB1763); plus FR Board, International Banking Section, FR 2502q report, memorandum line 1c, Claims on U.S. addressees other than depository institutions (QSBS1369). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>nonfinancial corporate business</td>
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<tr>
<td>28. Net purchases of U.S. corporate equities by the rest of the world</td>
<td>263064003</td>
<td>64.2</td>
<td>Unadjusted flow from SCB, USIT table 6, sum of line B2, Stocks, net foreign purchases (excludes purchases by foreign official agencies); and memorandum line 4, U.S. stocks purchased by foreign official agencies. Fourth-quarter level from SCB, article International Investment Position of the U.S., table 1, line 41, Corporate stocks held in the U.S. by foreigners other than official agencies, plus estimate from BEA for holdings by foreign official agencies. Level for other quarters is obtained by adding flow to preceding level; for 1995:Q1 onward, level adjusted to market value every quarter using 1 plus the percentage change (expressed in decimal form) in the NYSE Composite Index of Common Stock Prices. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>29. Change in U.S. trade receivables held by the rest of the world</td>
<td>263070005</td>
<td>2.8</td>
<td>Sum of lines 29a and 29b.</td>
</tr>
<tr>
<td>29a. Change in trade payables owed to the rest of the world by U.S.</td>
<td>263070003</td>
<td>5.3</td>
<td>Unadjusted flow and level from SCB, USIT table 7, line B9, Commercial liabilities. Series comprises Trade payables and Advance receipts and other commercial liabilities. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>private nonbank borrowers</td>
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Table F.107—Continued

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<tbody>
<tr>
<td>29b. Change in liabilities, other than security liabilities, of the federal government to the rest of the world</td>
<td>263070313</td>
<td>−2.5</td>
<td>Unadjusted flow from SCB, USIT table 1, line 53, Other U.S. government liabilities; also shown in SCB, section BEA Current and Historical Data, International Data, table F.2, line 53, Other U.S. government liabilities. Fourth-quarter level from SCB, article International Investment Position of the U.S., table 1, line 30, Other U.S. government liabilities; also shown in SCB, International Data, table G.1, line 30, Other U.S. government liabilities. Level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>30. Change in U.S. security credit held by the rest of the world</td>
<td>263067003</td>
<td>0.0</td>
<td>Level from FR Bulletin, former statistical section International Capital Transactions of the U.S., table 18, Foreign Credit and Debit Balances in Brokerage Accounts, column Credit balances (due to foreigners). Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1976:Q2 for levels and 1976:Q3 for flows; it is assumed that the data are now included with trade receivables. For earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>31. Change in total miscellaneous U.S. assets of the rest of the world</td>
<td>263090005</td>
<td>186.3</td>
<td>Sum of lines 32 and 33.</td>
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<tr>
<td>32. Foreign direct investment in the U.S., with current-cost adjustment</td>
<td>263092001</td>
<td>93.4</td>
<td>Unadjusted and seasonally adjusted flows from SCB, USIT table 5, line 55, Capital with current-cost adjustment. Fourth-quarter level from SCB, article International Investment Position of the U.S., table 1, line 35, Direct investment in the U.S. at current cost; also shown in SCB, section BEA Current and Historical Data, International Data, table G.1, line 35, Direct investment in the U.S. at current cost. Level for other quarters is obtained by adding unadjusted flow to preceding level.</td>
</tr>
<tr>
<td>33. Change in unidentified miscellaneous U.S. assets of the rest of the world</td>
<td>263093005</td>
<td>92.9</td>
<td>Residual value calculated as line 33a less changes in identified assets (lines 13a through 13e, 14, 15, 16, 18, 19, 26a, 27, 28, 29, 30, and 32).</td>
</tr>
</tbody>
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<tr>
<td>33a. Change in foreign assets in the U.S., balance of payments accounts basis</td>
<td>264090000</td>
<td>733.4</td>
<td>Unadjusted flow from SCB, USIT table 1, line 48, Foreign assets in the U.S., net; also shown in SCB, section BEA Current and Historical Data, International Data, table F.2, line 48, Foreign assets in the U.S., net. Fourth-quarter level from SCB, article International Investment Position of the U.S., table 1, line 24, Foreign assets in the U.S., with direct investment at current cost; also shown in SCB, International Data, table G.1, line 24, Foreign assets in the U.S., with direct investment at current cost. Level for other quarters is obtained by adding flow to preceding level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>34. Net increase in U.S. liabilities of the rest of the world</td>
<td>264190005</td>
<td>369.3</td>
<td>Sum of lines 35, 36, 37, 46, 47, 48, and 49.</td>
</tr>
<tr>
<td>35. Net U.S. official acquisition of foreign exchange and increase in the U.S. net position in the International Monetary Fund</td>
<td>26311005</td>
<td>.7</td>
<td>Sum of lines 35a and 35b.</td>
</tr>
<tr>
<td>35a. Net U.S. official acquisition of foreign currencies</td>
<td>26311503</td>
<td>-2.9</td>
<td>Level from FR Bulletin, table 3.12, line 5, Foreign currencies. Unadjusted flow from SCB, USIT table 1, line 38, Foreign currencies, with sign reversed; also shown in SCB, section BEA Current and Historical Data, International Data, table F.2, line 38, Foreign currencies, with sign reversed. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. The seasonally adjusted and unadjusted flows for this series exclude revaluations of currency holdings; the level is valued at current market exchange rates.</td>
</tr>
<tr>
<td>35b. Change in U.S. position in the International Monetary Fund</td>
<td>26311403</td>
<td>3.6</td>
<td>Level from FR Bulletin, table 3.12, line 4, Reserve position in IMF. Unadjusted flow from SCB, USIT table 1, line 37, Reserve position in the IMF, with sign reversed; also shown in SCB, section BEA Current and Historical Data, International Data, table F.2, line 37, Reserve position in the IMF, with sign reversed. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. The seasonally adjusted and unadjusted flows for this series exclude revaluations.</td>
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<tr>
<td>36. Change in foreign deposits held by U.S. private sectors</td>
<td>263191003</td>
<td>107.4</td>
<td>Unadjusted flow and level from SCB, sum of USIT table 7, line A5, Deposits; USIT table 8, line 17, Deposits; and USIT table 8, line 19, Other negotiable and readily transferable instruments (flows with signs reversed). Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>37. Change in credit market debt of the rest of the world to U.S. residents</td>
<td>264104005</td>
<td>56.9</td>
<td>Sum of lines 38, 39, 40, 44, and 45.</td>
</tr>
<tr>
<td>38. Change in commercial paper liabilities of the rest of the world to U.S. residents</td>
<td>263169175</td>
<td>3.7</td>
<td>Sum of lines 38a and 38b.</td>
</tr>
<tr>
<td>38a. Change in commercial paper liabilities of foreign financial companies to U.S. residents</td>
<td>263169103</td>
<td>6.0</td>
<td>Level from FR Board, Capital Markets Section, daily statistical release Commercial Paper, table Commercial Paper Outstanding, section Not Seasonally Adjusted Data, column Financial, Foreign, month-end outstandings. Series is compiled by FR Board from data obtained from the Depository Trust Company. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>38b. Change in commercial paper liabilities of foreign nonfinancial companies to U.S. residents</td>
<td>263169700</td>
<td>−2.3</td>
<td>Level from FR Board, Capital Markets Section, daily statistical release Commercial Paper, table Commercial Paper Outstanding, section Not Seasonally Adjusted Data, column Nonfinancial, Foreign, month-end outstandings. Series is compiled by FR Board from data obtained from the Depository Trust Company. Unadjusted flow is the change in the level; seasonally adjusted flow is derived from seasonally adjusted levels shown in the same release.</td>
</tr>
<tr>
<td>39. Change in bond liabilities of the rest of the world to U.S. residents</td>
<td>263163003</td>
<td>46.7</td>
<td>Unadjusted flow from SCB, USIT table 6, line A13, Bonds, net U.S. purchases, with sign reversed. Level is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tbody>
<tr>
<td>40. Change in outstanding loans, not elsewhere classified, to the rest of the world held by the U.S. commercial banking sector</td>
<td>263168005</td>
<td>8.5</td>
<td>Sum of lines 41, 42, and 43.</td>
</tr>
<tr>
<td>41. Change in outstanding loans to foreign governments and official institutions held by the U.S. commercial banking sector</td>
<td>263168605</td>
<td>-.8</td>
<td>Sum of lines 41a and 41b.</td>
</tr>
<tr>
<td>41a. Change in loans to foreign governments and official institutions held by U.S.-chartered commercial banks</td>
<td>723068263</td>
<td>-.3</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-C, Loans to foreign governments and official institutions (including foreign central banks) (series RCON2081). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>41b. Change in loans to foreign governments and official institutions held by foreign banking offices in the U.S.</td>
<td>753068263</td>
<td>-.5</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule C, Loans to foreign governments and official institutions (including foreign central banks) (series RCON2081); for Edge and agreement corporations, schedule C, Loans to foreign governments and official institutions (including foreign central banks) (RCFD2081 less RCFN2081); and for New York State investment companies (through 1996:Q2), schedule A, Loans to foreign governments and official institutions (RCON2081). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>42. Change in outstanding loans to foreign banks held by the U.S. commercial banking sector</td>
<td>263168705</td>
<td>-.5</td>
<td>Sum of lines 42a, 42b, and 42c.</td>
</tr>
<tr>
<td>42a. Change in loans to borrowers, other than depository institutions, held by Federal Reserve Banks (monetary authority sector)</td>
<td>713068103</td>
<td>.0</td>
<td>Level from FR Bulletin, table 1.18, line 5, Other loans, end-of-month data. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1970:Q3 for levels and 1970:Q4 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
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<tr>
<td>42b. Change in loans to banks in foreign countries held by U.S.-chartered commercial banks</td>
<td>723068273</td>
<td>.1</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-C, Loans to depository institutions, To banks in foreign countries (series RCON1510). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>42c. Change in loans to foreign banks held by foreign banking offices in the U.S.</td>
<td>753068273</td>
<td>–.6</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule C, sum of Loans to foreign branches of U.S. banks (series RCON1513) and Loans to other banks in foreign countries (RCON1516); for Edge and agreement corporations, schedule C, Loans to banks in foreign countries (RCFD1510 less RCFN1510); and for New York State investment companies (through 1996:Q2), schedule A, Loans to banks in foreign countries (RCON1510). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>43. Change in outstanding loans to foreigners, other than banks and official institutions, held by the U.S. commercial banking sector</td>
<td>263168805</td>
<td>9.8</td>
<td>Sum of lines 43a and 43b.</td>
</tr>
<tr>
<td>43a. Change in commercial and industrial loans to the rest of the world and in foreign lease financing receivables held by U.S.-chartered commercial banks</td>
<td>723068283</td>
<td>5.1</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-C, sum of Commercial and industrial loans to non-U.S. addressees (domicile) (series RCON1764) and Lease financing receivables (net of unearned income) of non-U.S. addressees (domicile) (RCON2183). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>43b.</td>
<td>753068283</td>
<td>4.7</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule C, sum of Commercial and industrial loans to non-U.S. addressees (domicile) (series RCON1764) and Lease financing receivables (net of unearned income) of non-U.S. addressees (domicile) (RCFD2183 less RCFN2183); for Edge and agreement corporations, schedule C, Commercial and industrial loans to non-U.S. addressees (RCON1762 less RCFN1600); and for New York State investment companies (through 1996:Q2), schedule A, Commercial and industrial loans to non-U.S. addressees (RCON1762). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>44.</td>
<td>263169205</td>
<td>−1.8</td>
<td>Line 44a less lines 50 and 51.</td>
</tr>
<tr>
<td>44a.</td>
<td>264191003</td>
<td>−.2</td>
<td>Unadjusted flow from SCB, USIT table 1, line 39, U.S. government assets, other than official reserve assets, net, with sign reversed; also shown in SCB, section BEA Current and Historical Data, International Data, table F.2, line 39, U.S. government assets, other than official reserve assets, net. Fourth-quarter level from SCB, article International Investment Position of the U.S., table 1, line 10, U.S. government assets, other than official reserve assets; also shown in SCB, International Data, table G.1, line 10, U.S. government assets, other than official reserve assets. Level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>45.</td>
<td>263169605</td>
<td>−.2</td>
<td>Sum of lines 45a and 45b, less lines 45c and 45d.</td>
</tr>
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<tr>
<td>45a. Change in customers' acceptance liabilities to U.S.-chartered commercial banks</td>
<td>293169723</td>
<td>−0.2</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC, Customers' liability to this bank on acceptances outstanding (series RCON2155). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. This series is included in the “other loans and advances” category in the FOF accounts.</td>
</tr>
<tr>
<td>45b. Change in customers’ acceptance liabilities to foreign banking offices in the U.S.</td>
<td>293169750</td>
<td>−2.5</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule RAL, Customers' liability to this branch or agency on acceptances outstanding, sum of U.S. addressees (domicile) (series RCFD2156) and Non-U.S. addressees (domicile) (RCFD2157); for Edge and agreement corporations, schedule RC, Customers' liability on acceptances outstanding (RCFD2155); and for New York State investment companies (through 1996:Q2), main schedule, Customers' liabilities to this investment company on acceptances outstanding, sum of U.S. addressees (domicile) (RCON2156) and Non-U.S. addressees (domicile) (RCON2157). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure. This series is included in the “other loans and advances” category in the FOF accounts.</td>
</tr>
<tr>
<td>45c. Change in acceptance liabilities of nonfarm nonfinancial business to U.S.-chartered commercial banks</td>
<td>123169720</td>
<td>−0.3</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-M, Customers' liability to this bank on acceptances outstanding, U.S. addressees (domicile) (series RCFD2103). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>45d. Change in acceptance liabilities of nonfarm nonfinancial business to foreign banking offices in the U.S.</td>
<td>123169750</td>
<td>−2.3</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule RAL, Customers' liability to this branch or agency on acceptances outstanding, U.S. addressees (domicile) (series RCFD2156); for Edge and agreement corporations, schedule RC, 67 percent of Customers' liability on acceptances outstanding (RCFD2155); and for New York State investment companies (through 1996:Q2), Customers' liabilities to this investment company on acceptances outstanding, U.S. addressees (domicile) (RCON2156). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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</tr>
<tr>
<td>46. Net purchases of foreign corporate equities by U.S. residents</td>
<td>263164003</td>
<td>41.3</td>
<td>Unadjusted flow from SCB, USIT table 6, line A2, Stocks, net U.S. purchases, with sign reversed. Includes U.S. purchases of ADRs. Fourth-quarter level from SCB, article International Investment Position of the U.S., table 1, line 21, Corporate stocks; also shown in SCB, section BEA Current and Historical Data, International Data, table G.1, line 21, Corporate stocks. Level for other quarters is obtained by adding flow to preceding level; beginning 1995:Q1, level adjusted to market value every quarter using 1 plus the percentage change (expressed in decimal form) in the Morgan Stanley Equity Price Index for all countries, excluding the U.S., in U.S. dollars (data obtained from the Bloomberg Service). Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>47. Change in trade payables owed to U.S. lenders by the rest of the world</td>
<td>263170003</td>
<td>10.2</td>
<td>Unadjusted flow and fourth-quarter level from SCB, sum of USIT table 7, line A13, Commercial claims; and USIT table 8, line 20, Outstanding collections and other. Excludes foreign currency claims. Level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>48. Change in security credit owed to U.S. lenders by the rest of the world</td>
<td>263167003</td>
<td>.0</td>
<td>Level from FR Bulletin, former statistical section International Capital Transactions of the U.S., table 18, Foreign Credit and Debit Balances in Brokerage Accounts, column Debit balances (due from foreigners). Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1976:Q2 for levels and 1976:Q3 for flows; it is assumed that the data are now included with trade payables. For earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>49. Change in total miscellaneous U.S. liabilities of the rest of the world</td>
<td>263190005</td>
<td>152.8</td>
<td>Sum of lines 50, 51, 52, and 53.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
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<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>50. Change in equity in the International Bank for Reconstruction and Development and other international organizations held by the federal government</td>
<td>313092203</td>
<td>1.6</td>
<td>Unadjusted flow from SCB, USIT table 4, line A24, Capital subscriptions and contributions to international financial institutions, excluding IMF. Data are also published in Status of Letters of Credit Issued to International Organizations by Department of the Treasury, Total drawdowns less Drawdowns by International Monetary Fund, amount for fiscal year through current quarter less amount for fiscal year through preceding quarter. Level is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>51. Net non-official acquisition of foreign currencies and short-term assets by the federal government</td>
<td>313091003</td>
<td>*</td>
<td>Unadjusted flow from SCB, USIT table 1, line 42, U.S. foreign currency holdings and U.S. short-term assets, net, with sign reversed; also shown in SCB, section BEA Current and Historical Data, International Data, table F.2, line 42, U.S. foreign currency holdings and U.S. short-term assets, net, with sign reversed. Fourth-quarter level from SCB, article International Investment Position of the U.S., table 1, line 14, U.S. foreign currency holdings and U.S. short-term assets; also shown in International Data, table G.1, line 14, U.S. foreign currency holdings and U.S. short-term assets. Level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>52. U.S. direct investment abroad, excluding bonds sold by Netherlands Antillean financial subsidiaries</td>
<td>263192005</td>
<td>121.8</td>
<td>Sum of lines 26b and 52a.</td>
</tr>
<tr>
<td>52a. U.S. direct investment abroad, with current-cost adjustment</td>
<td>263192001</td>
<td>121.8</td>
<td>Unadjusted and seasonally adjusted flows from SCB, USIT table 5, line 14, Capital with current-cost adjustment, with sign reversed. Fourth-quarter level from SCB, article International Investment Position of the U.S., table 1, line 17, Direct investment abroad at current cost; also shown in SCB, section BEA Current and Historical Data, International Data, table G.1, line 17, Direct investment abroad at current cost. Level for other quarters is obtained by adding unadjusted flow to preceding level.</td>
</tr>
</tbody>
</table>
F.107  Rest of the World—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 Value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>53. Change in unidentified miscellaneous U.S. liabilities of the rest of the world</td>
<td>263193005</td>
<td>29.3</td>
<td>Residual value calculated as the change in U.S. liabilities (equal to total U.S. uses of funds—the sum of net acquisition of U.S. financial assets, line 11, and the discrepancy, line 54—less the total of nonfinancial U.S. sources of funds, which is gross saving in line 9) less changes in identified liabilities (lines 35, 36, 37, 46, 47, 48, 50, 51, and 52).</td>
</tr>
<tr>
<td>54. Discrepancy for the rest of the world, equal to net foreign investment in U.S. (NIPA basis; sign reversed) less net financial investment</td>
<td>267005005</td>
<td>-114.0</td>
<td>Sum of lines 8, 9, and 54a, less line 54b; also equal to line 9 less line 10. This series is the discrepancy in the balance of payments accounts, adjusted to conform to NIPA concepts. The discrepancy is a use of funds in the FOF accounts.</td>
</tr>
<tr>
<td>54a. U.S. balance of payments accounts statistical discrepancy</td>
<td>267005261</td>
<td>-99.7</td>
<td>Unadjusted and seasonally adjusted flows from SCB, USIT table 1, line 64, Statistical discrepancy; also shown in SCB, section BEA Current and Historical Data, International Data, table F.2, line 64, Statistical discrepancy. Beginning 1978:Q1, data for the series exclude all capital gains and losses related to direct investment. FOF series differs from published BEA series for 1978-81 because BEA series does not exclude capital gains and losses related to direct investment.</td>
</tr>
<tr>
<td>54b. Rest of the world current account balance with the U.S., balance of payments accounts basis</td>
<td>266000261</td>
<td>155.2</td>
<td>Unadjusted and seasonally adjusted flows from SCB, USIT table 1, line 71, Balance on current account, with sign reversed; also shown in SCB, section BEA Current and Historical Data, International Data, table F.2, line 71, Balance on current account, with sign reversed.</td>
</tr>
<tr>
<td>55. Net U.S. exports of goods and services, NIPA basis</td>
<td>266990005</td>
<td>-93.4</td>
<td>Line 6 less line 2.</td>
</tr>
<tr>
<td>56. Net U.S. factor income (net receipts, from the rest of the world, of interest, corporate profits, and employee compensation)</td>
<td>266902105</td>
<td>-8.0</td>
<td>Line 7 less line 3.</td>
</tr>
<tr>
<td>57. Net transfer payments from the U.S. to the rest of the world</td>
<td>266400001</td>
<td>39.5</td>
<td>Same as line 4.</td>
</tr>
<tr>
<td>58. Net capital grants received by the U.S. from the rest of the world</td>
<td>313011301</td>
<td>0.0</td>
<td>Same as line 8.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
<tr>
<td>-----------</td>
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<td>-------------</td>
</tr>
<tr>
<td>59. Net foreign investment in the U.S., NIPA basis</td>
<td>266000005</td>
<td>−140.9</td>
<td>Sum of lines 55 and 56, less line 57, plus line 58. Equals, with sign reversed, NIPA table 4.1, line 20, Net foreign investment.</td>
</tr>
</tbody>
</table>
The monetary authority is the group of institutions and financial accounts that supply reserve funds to depository institutions and absorb funds from them; data on the amounts of funds supplied and absorbed by the monetary authority are presented in table 1.11 of the *Federal Reserve Bulletin*, "Reserves of Depository Institutions and Reserve Bank Credit."¹ The sector is made up primarily of the twelve Federal Reserve Banks and their subsidiary offices (but not the Board of Governors of the Federal Reserve System). It also includes certain monetary accounts of the U.S. Treasury: the monetary gold stock; the special drawing rights certificate account; and Treasury currency, which comprises standard silver dollars, fractional coin, national bank notes, and currency items in the process of retirement. (These Treasury accounts are excluded from the assets and liabilities of the U.S. government sector in the flow of funds accounts.)

The assets of the monetary authority are the factors supplying reserve funds; the largest asset is Treasury securities, which, in the conduct of monetary policy, are bought and sold by the Federal Reserve System through open market operations. The liabilities of the sector, primarily currency held by the public and by commercial banks and reserve deposits owed to depository institutions by the Federal Reserve System, are the factors absorbing reserve funds.

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¹ The "reserve equation" and the factors that supply and absorb reserve funds are discussed in *Purposes and Functions*, pp. 118–22.

<table>
<thead>
<tr>
<th>Table F.108  Monetary Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>The monetary authority is the group of institutions and financial accounts that supply reserve funds to depository institutions and absorb funds from them; data on the amounts of funds supplied and absorbed by the monetary authority are presented in table 1.11 of the <em>Federal Reserve Bulletin</em>, &quot;Reserves of Depository Institutions and Reserve Bank Credit.&quot; The sector is made up primarily of the twelve Federal Reserve Banks and their subsidiary offices (but not the Board of Governors of the Federal Reserve System). It also includes certain monetary accounts of the U.S. Treasury: the monetary gold stock; the special drawing rights certificate account; and Treasury currency, which comprises standard silver dollars, fractional coin, national bank notes, and currency items in the process of retirement. (These Treasury accounts are excluded from the assets and liabilities of the U.S. government sector in the flow of funds accounts.) The assets of the monetary authority are the factors supplying reserve funds; the largest asset is Treasury securities, which, in the conduct of monetary policy, are bought and sold by the Federal Reserve System through open market operations. The liabilities of the sector, primarily currency held by the public and by commercial banks and reserve deposits owed to depository institutions by the Federal Reserve System, are the factors absorbing reserve funds.</td>
</tr>
</tbody>
</table>

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1. The "reserve equation" and the factors that supply and absorb reserve funds are discussed in *Purposes and Functions*, pp. 118–22.
Table F.108  Monetary Authority (1)

<table>
<thead>
<tr>
<th>Table F.108 Monetary Authority (1)</th>
<th>Billions of dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 FA716000105 Gross saving</td>
<td>1.0</td>
</tr>
<tr>
<td>2 FA715013003 Fixed nonresidential investment</td>
<td>0.3</td>
</tr>
<tr>
<td>3 FA714090005 Net acquisition of financial assets</td>
<td>17.1</td>
</tr>
<tr>
<td>4 FA713011005 Gold and foreign exchange</td>
<td>-2.2</td>
</tr>
<tr>
<td>5 FA713014003 SDR certificates</td>
<td>-2.0</td>
</tr>
<tr>
<td>6 FA713012003 Treasury currency</td>
<td>0.4</td>
</tr>
<tr>
<td>7 FA713022003 Federal Reserve float</td>
<td>2.5</td>
</tr>
<tr>
<td>8 FA713068003 Fed. Res. loans to domestic banks</td>
<td>0.5</td>
</tr>
<tr>
<td>9 FA712050000 Security RP's</td>
<td>-7.8</td>
</tr>
<tr>
<td>10 FA714002105 Credit market instruments</td>
<td>27.9</td>
</tr>
<tr>
<td>11 FA713069603 Acceptances</td>
<td>0.0</td>
</tr>
<tr>
<td>12 FA713061005 U.S. government securities</td>
<td>27.9</td>
</tr>
<tr>
<td>13 FA713061100 Treasury</td>
<td>28.5</td>
</tr>
<tr>
<td>14 FA713061703 Agency</td>
<td>-0.6</td>
</tr>
<tr>
<td>15 FA713068103 Bank loans n.e.c.</td>
<td>0.0</td>
</tr>
<tr>
<td>16 FA713093005 Miscellaneous assets</td>
<td>-2.2</td>
</tr>
<tr>
<td>17 FA714190005 Net increase in liabilities</td>
<td>16.7</td>
</tr>
<tr>
<td>18 FA713133000 Depository institution reserves</td>
<td>2.7</td>
</tr>
<tr>
<td>19 FA723025000 Vault cash of commercial banks</td>
<td>-1.7</td>
</tr>
<tr>
<td>20 FA713120005 Checkable deposits and currency</td>
<td>17.6</td>
</tr>
<tr>
<td>21 FA713123105 Due to federal government</td>
<td>-10.3</td>
</tr>
<tr>
<td>22 FA713122605 Due to rest of the world</td>
<td>-0.7</td>
</tr>
<tr>
<td>23 FA713125005 Currency outside banks</td>
<td>28.7</td>
</tr>
<tr>
<td>24 FA713190005 Miscellaneous liabilities</td>
<td>-1.8</td>
</tr>
<tr>
<td>25 FA713164003 Federal Reserve Bank stock</td>
<td>0.4</td>
</tr>
<tr>
<td>26 FA713193005 Other</td>
<td>-2.2</td>
</tr>
<tr>
<td>27 FA717005005 Discrepancy</td>
<td>0.3</td>
</tr>
</tbody>
</table>

(1) Assets and liabilities of Federal Reserve Banks and Treasury monetary accounts that supply or absorb bank reserves. Excludes the accounts of the Federal Reserve Board.
### F.108 Monetary Authority

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 Value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gross saving of the monetary authority</td>
<td>716000105</td>
<td>2.8</td>
<td>Sum of lines 1a and 1b.</td>
</tr>
<tr>
<td>1a. Undistributed profits of Federal Reserve Banks</td>
<td>716006003</td>
<td>2.5</td>
<td>Seasonally adjusted flow from special tabulation of undistributed profits of FR Banks provided once a year by BEA. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>1b. Consumption of fixed nonresidential capital by Federal Reserve Banks, with nonresidential structures and equipment valued at current cost</td>
<td>716330003</td>
<td>.3</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, sum of Equipment for Federal Reserve Banks (series M1NF6A1EQ00; revisions and updates provided by BEA) and Structures for Federal Reserve Banks (M1NF6A1ST00). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships.</td>
</tr>
</tbody>
</table>
### F.108—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Fixed nonresidential investment by Federal Reserve Banks</td>
<td>715013003</td>
<td>.3</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, sum of Equipment for Federal Reserve Banks (series I3NF16A1EQ00; revisions and updates provided by BEA) and Structures for Federal Reserve Banks (I3NF16A1ST00). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers' durable equipment (SCB, NIPA table 5.4, line 8, Producers' durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>3. Net acquisition of financial assets by the monetary authority</td>
<td>714090005</td>
<td>38.8</td>
<td>Sum of lines 4, 5 through 10, and 16.</td>
</tr>
<tr>
<td>4. Change in monetary gold and foreign exchange held by the monetary authority</td>
<td>713011005</td>
<td>−1.5</td>
<td>Sum of line 4a and 50 percent of line 4b, less line 4c.</td>
</tr>
<tr>
<td>4a. Change in monetary gold held by the monetary authority</td>
<td>713011203</td>
<td>*</td>
<td>Level from FR Bulletin, table 1.18, line 1, Gold certificate account, end-of-month data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. The official U.S. gold stock is valued at $42.22 per fine troy ounce.</td>
</tr>
<tr>
<td>4b. Net U.S. official acquisition of foreign currencies</td>
<td>263111503</td>
<td>−2.9</td>
<td>Level from FR Bulletin, table 3.12, line 5, Foreign currencies. Unadjusted flow from SCB, USIT table 1, line 38, Foreign currencies, with sign reversed; also shown in SCB, section BEA Current and Historical Data, International Data, table F.2, line 38, Foreign currencies, with sign reversed. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. The seasonally adjusted and unadjusted flows for this series exclude revaluations of currency holdings; the level is valued at current market exchange rates.</td>
</tr>
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</table>
### Component Details

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>4c. Change in deposits held by the International Monetary Fund at Federal Reserve Banks</td>
<td>71311403</td>
<td>*</td>
<td>Level provided by FR Bank of New York. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>5. Change in special drawing rights certificates held by Federal Reserve Banks</td>
<td>71301403</td>
<td>-.5</td>
<td>Level from FR Bulletin, table 1.18, line 2, Special drawing rights certificate account, end-of-month data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>6. Change in U.S. Treasury currency held by the monetary authority</td>
<td>71301203</td>
<td>.6</td>
<td>Level from FR Bulletin, table 1.11, line 14, Treasury currency outstanding, end-of-month data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>7. Change in Federal Reserve float (asset of Federal Reserve Banks)</td>
<td>71302203</td>
<td>-3.6</td>
<td>Level from FR Bulletin, table 1.11, line 10, Float, end-of-month data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>8. Change in loans to depository institutions held by Federal Reserve Banks</td>
<td>713068003</td>
<td>2.0</td>
<td>Level from FR Bulletin, table 1.18, line 4, Loans to depository institutions, end-of-month data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>9. Change in outstanding loans held by Federal Reserve Banks under security repurchase agreements</td>
<td>712050000</td>
<td>2.3</td>
<td>Level from FR Bulletin, table 1.18, end-of-month data: sum of line 6, Acceptances held under repurchase agreements, line 8, Federal agency obligations held under repurchase agreements, and line 14, U.S. Treasury securities held under repurchase agreements. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
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<tr>
<td>---------------------------------------------------------------------------</td>
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<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>10. Change in credit market assets of Federal Reserve Banks</td>
<td>714002105</td>
<td>38.3</td>
<td>Sum of lines 11, 12, and 15.</td>
</tr>
<tr>
<td>11. Change in acceptances held by Federal Reserve Banks</td>
<td>713069603</td>
<td>0.0</td>
<td>Level from FR Bulletin, table 1.18, former line 6, Acceptances bought outright, end-of-month data. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1977:Q4 for levels and 1978:Q1 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>12. Change in U.S. government securities held by Federal Reserve Banks</td>
<td>713061005</td>
<td>38.3</td>
<td>Sum of lines 13 and 14.</td>
</tr>
<tr>
<td>13. Change in U.S. Treasury securities held by Federal Reserve Banks</td>
<td>713061100</td>
<td>39.8</td>
<td>Level from FR Bulletin, table 1.18, line 10, U.S. Treasury securities bought outright, end-of-month data. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>14. Change in U.S. government agency securities held by Federal Reserve Banks</td>
<td>713061703</td>
<td>-1.5</td>
<td>Level from FR Bulletin, table 1.18, line 7, Federal agency obligations bought outright, end-of-month data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>15. Change in loans to borrowers, other than depository institutions, held by Federal Reserve Banks</td>
<td>713068103</td>
<td>0.0</td>
<td>Level from FR Bulletin, table 1.18, line 5, Other loans, end-of-month data. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1970:Q3 for levels and 1970:Q4 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>16. Change in unidentified miscellaneous assets of the monetary authority</td>
<td>713093005</td>
<td>1.2</td>
<td>Line 16a less 50 percent of line 4b and less line 16b.</td>
</tr>
</tbody>
</table>
### F.108 Monetary Authority—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>16a. Change in other assets of Federal Reserve Banks</td>
<td>713093003</td>
<td>-.2</td>
<td>Level from FR Bulletin, table 1.18, end-of-month data: sum of line 18, Other assets denominated in foreign currencies, and line 19, All other assets. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>16b. Change in furniture and fixtures, at book value, owned by Federal Reserve Banks</td>
<td>715013123</td>
<td>0</td>
<td>Level from Annual Report, Board of Governors of the FR System, Statistical Tables, table 1, Other assets, Total furniture and equipment, net. Data are annual; series is converted to quarterly by K-L method. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>17. Net increase in liabilities of the monetary authority</td>
<td>714190005</td>
<td>38.1</td>
<td>Line 3 less line 17a, plus line 25.</td>
</tr>
<tr>
<td>17a. Change in net worth reported by Federal Reserve Banks</td>
<td>715080003</td>
<td>1.6</td>
<td>Level from FR Bulletin, table 1.18, end-of-month data: sum of line 30, Capital paid in, line 31, Surplus, and line 32, Other capital accounts. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>18. Change in reserve deposits held by depository institutions at Federal Reserve Banks</td>
<td>713113000</td>
<td>6.3</td>
<td>Level from FR Bulletin, table 1.18, line 23, Deposit liabilities to depository institutions, end-of-month data. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>19. Change in vault cash held by U.S.-chartered commercial banks (liability of the monetary authority)</td>
<td>723025000</td>
<td>-.2</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-A, Currency and coin (series RCON0080). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>20. Change in checkable deposit and currency liabilities of the monetary authority</td>
<td>713120005</td>
<td>30.1</td>
<td>Sum of lines 21, 22, and 23.</td>
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### Table F.108—Continued

<table>
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<th>Component</th>
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<th>Explanation</th>
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<tr>
<td>21. Change in Treasury cash and deposits held by the federal government at Federal Reserve Banks</td>
<td>713123105</td>
<td>-2.3</td>
<td>Sum of lines 21a and 21b.</td>
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<tr>
<td>21a. Change in Treasury cash holdings (liability of the monetary authority)</td>
<td>713123203</td>
<td>*</td>
<td>Level from FR Bulletin, table 1.11, line 16, Treasury cash holdings, end-of-month data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>21b. Change in liabilities of Federal Reserve Banks for the U.S. Treasury general deposit account</td>
<td>713123730</td>
<td>-2.3</td>
<td>Level from FR Bulletin, table 1.18, line 24, Deposit liabilities, U.S. Treasury—General account, end-of-month data. Also found in Monthly Treasury Statement, table 6, Cash and monetary assets, U.S. Treasury operating cash, FR account. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>22. Change in deposits held by the rest of the world at Federal Reserve Banks</td>
<td>713122605</td>
<td>.5</td>
<td>Sum of lines 22a and 22b, less line 4c.</td>
</tr>
<tr>
<td>22a. Change in deposits held by foreign official institutions at Federal Reserve Banks</td>
<td>713122003</td>
<td>.3</td>
<td>Level from FR Bulletin, table 1.18, line 25, Deposit liabilities, Foreign—Official accounts, end-of-month data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>22b. Change in deposits held by international organizations at Federal Reserve Banks</td>
<td>713122103</td>
<td>.2</td>
<td>Level provided by FR Bank of New York. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>23. Change in currency outside banks (liability of the monetary authority)</td>
<td>713125005</td>
<td>31.9</td>
<td>Line 23a less line 19.</td>
</tr>
<tr>
<td>23a. Change in currency in circulation (liability of the monetary authority)</td>
<td>713124000</td>
<td>31.7</td>
<td>Level from FR Bulletin, table 1.11, line 15, Currency in circulation, end-of-month data. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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### F.108 Monetary Authority—Continued

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<th>Explanation</th>
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<tr>
<td>24. Change in total miscellaneous liabilities of the monetary authority</td>
<td>713190005</td>
<td>1.8</td>
<td>Line 17 less lines 18, 19, and 20.</td>
</tr>
<tr>
<td>25. Change in liabilities of Federal Reserve Banks to U.S.-chartered</td>
<td>713164003</td>
<td>.8</td>
<td>Level from FR Bulletin, table 1.18, line 30, Capital paid in, end-of-month data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>commercial banks for Federal Reserve Bank stock</td>
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<td></td>
<td></td>
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<tr>
<td>26. Change in unidentified miscellaneous liabilities of the monetary</td>
<td>713193005</td>
<td>1.0</td>
<td>Line 24 less line 25.</td>
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<tr>
<td>authority</td>
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<tr>
<td>27. Discrepancy for the monetary authority, equal to gross saving less</td>
<td>717005005</td>
<td>1.8</td>
<td>Sum of lines 1 and 17, less lines 2 and 3. The discrepancy is a use of funds in the FOF accounts.</td>
</tr>
<tr>
<td>gross investment</td>
<td></td>
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</table>
Table F.109  Commercial Banking

The commercial banking sector is made up of four banking groups: U.S.-chartered commercial banks (table F.110), foreign banking offices in the U.S. (table F.111), bank holding companies (table F.112), and banks in U.S.-affiliated areas (table F.113). Each group is described in the introduction to its table. This table is a combined statement for the four groups, whereas the tables for the individual banking sectors are consolidated, with interbank assets netted against interbank liabilities.

Credit market funds advanced by the commercial banking sector, shown in line 43, serves as an indicator of the amount of funds supplied by the sector to the domestic nonfinancial sectors. Note that credit market funds advanced differs from bank credit, which is shown on line 7, in that it excludes security credit, corporate equities, and mutual fund shares and includes customers' liability on acceptances.
## F.109 Commercial Banking (1)

<table>
<thead>
<tr>
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<tbody>
<tr>
<td><strong>1. Gross saving</strong></td>
<td>36.0</td>
<td>34.8</td>
<td>32.5</td>
<td>38.6</td>
<td>37.5</td>
<td>48.4</td>
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<tr>
<td><strong>2. Fixed nonresidential investment</strong></td>
<td>15.6</td>
<td>14.5</td>
<td>13.2</td>
<td>13.3</td>
<td>12.3</td>
<td>12.8</td>
</tr>
<tr>
<td><strong>3. Net acquisition of financial assets</strong></td>
<td>181.2</td>
<td>236.9</td>
<td>231.3</td>
<td>335.7</td>
<td>216.6</td>
<td>457.4</td>
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### Table F.109

<table>
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<tr>
<td><strong>4. Vault cash</strong></td>
<td>-1.7</td>
<td>0.8</td>
<td>5.5</td>
<td>2.4</td>
<td>4.6</td>
<td>-0.2</td>
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<tr>
<td><strong>5. Reserves at Federal Reserve</strong></td>
<td>2.5</td>
<td>2.5</td>
<td>-3.5</td>
<td>-1.1</td>
<td>-4.6</td>
<td>6.8</td>
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<tr>
<td><strong>6. Checkable deposits and currency</strong></td>
<td>-0.5</td>
<td>-0.3</td>
<td>0.4</td>
<td>0.2</td>
<td>-0.2</td>
<td>-0.1</td>
</tr>
<tr>
<td><strong>7. Total bank credit</strong></td>
<td>115.2</td>
<td>162.6</td>
<td>156.8</td>
<td>273.4</td>
<td>189.9</td>
<td>350.0</td>
</tr>
<tr>
<td><strong>8. U.S. government securities</strong></td>
<td>104.7</td>
<td>72.5</td>
<td>183.7</td>
<td>239.8</td>
<td>174.2</td>
<td>234.7</td>
</tr>
<tr>
<td><strong>9. Treasury</strong></td>
<td>61.9</td>
<td>27.8</td>
<td>-31.8</td>
<td>-11.7</td>
<td>-16.9</td>
<td>8.3</td>
</tr>
<tr>
<td><strong>10. Agency</strong></td>
<td>42.8</td>
<td>44.7</td>
<td>5.5</td>
<td>38.7</td>
<td>28.2</td>
<td>75.5</td>
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<tr>
<td><strong>11. Municipal securities</strong></td>
<td>-5.7</td>
<td>1.7</td>
<td>-1.6</td>
<td>-4.2</td>
<td>0.9</td>
<td>2.4</td>
</tr>
<tr>
<td><strong>12. Corporate and foreign bonds</strong></td>
<td>-1.6</td>
<td>3.5</td>
<td>4.3</td>
<td>8.4</td>
<td>1.4</td>
<td>27.8</td>
</tr>
<tr>
<td><strong>13. Total loans</strong></td>
<td>18.5</td>
<td>83.6</td>
<td>183.7</td>
<td>239.8</td>
<td>174.2</td>
<td>234.7</td>
</tr>
<tr>
<td><strong>14. Open market paper</strong></td>
<td>-1.4</td>
<td>-1.9</td>
<td>-1.5</td>
<td>-0.1</td>
<td>0.8</td>
<td>-0.8</td>
</tr>
<tr>
<td><strong>15. Bank loans n.e.c.</strong></td>
<td>-8.9</td>
<td>-7.2</td>
<td>62.9</td>
<td>114.7</td>
<td>92.1</td>
<td>129.3</td>
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<tr>
<td><strong>16. Mortgages</strong></td>
<td>19.2</td>
<td>47.3</td>
<td>64.9</td>
<td>77.5</td>
<td>55.2</td>
<td>98.8</td>
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<tr>
<td><strong>17. Consumer credit</strong></td>
<td>-7.3</td>
<td>32.8</td>
<td>63.1</td>
<td>43.2</td>
<td>24.8</td>
<td>-14.2</td>
</tr>
<tr>
<td><strong>18. Security credit</strong></td>
<td>16.9</td>
<td>12.7</td>
<td>-5.7</td>
<td>4.6</td>
<td>1.3</td>
<td>21.7</td>
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<tr>
<td><strong>19. Corporate equities</strong></td>
<td>-0.4</td>
<td>0.9</td>
<td>-1.4</td>
<td>2.1</td>
<td>1.8</td>
<td>0.6</td>
</tr>
<tr>
<td><strong>20. Mutual fund shares</strong></td>
<td>-0.4</td>
<td>0.5</td>
<td>-1.9</td>
<td>0.3</td>
<td>0.3</td>
<td>0.8</td>
</tr>
<tr>
<td><strong>21. Customers' liability on acceptances (2)</strong></td>
<td>-3.6</td>
<td>-6.4</td>
<td>-2.4</td>
<td>-0.6</td>
<td>1.0</td>
<td>-2.8</td>
</tr>
<tr>
<td><strong>22. Corporate and foreign bonds</strong></td>
<td>69.3</td>
<td>77.6</td>
<td>74.5</td>
<td>61.4</td>
<td>25.9</td>
<td>103.5</td>
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<tr>
<td><strong>23. Total increase in liabilities</strong></td>
<td>184.8</td>
<td>241.1</td>
<td>255.2</td>
<td>300.5</td>
<td>203.7</td>
<td>490.5</td>
</tr>
</tbody>
</table>

### Memo:

- **1.** U.S.-chartered commercial banks, foreign banking offices in U.S., bank holding companies, and banks in U.S.-affiliated areas. IBFs are excluded from domestic banking and treated the same as branches in foreign countries.
- **2.** Included in other loans and advances (table F.216).
- **3.** Floats and discrepancies in interbank transactions.
- **4.** Total bank credit (line 7) less security credit (line 18) less corporate equities (line 19) less mutual fund shares (line 20) plus customers’ liability on acceptances (line 21).
### F.109 Commercial Banking

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Gross saving of the commercial banking sector</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1a. Gross saving of U.S.-chartered commercial banks</td>
<td>726000105</td>
<td>7.7</td>
<td>Table F.110, line 1.</td>
</tr>
<tr>
<td>1b. Gross saving of foreign banking offices in the U.S.</td>
<td>756330003</td>
<td>3.2</td>
<td>Table F.111, line 1.</td>
</tr>
<tr>
<td>1c. Gross saving of bank holding companies</td>
<td>736000105</td>
<td>37.4</td>
<td>Table F.112, line 1.</td>
</tr>
<tr>
<td>1d. Gross saving of banks in U.S.-affiliated areas</td>
<td>746330003</td>
<td>0.1</td>
<td>Table F.113, line 1.</td>
</tr>
<tr>
<td><strong>2. Fixed nonresidential investment by the commercial banking sector</strong></td>
<td>765013005</td>
<td>12.8</td>
<td>Sum of lines 2a, 2b, 2c, and 2d.</td>
</tr>
<tr>
<td>2a. Fixed nonresidential investment by U.S.-chartered commercial banks</td>
<td>725013003</td>
<td>9.3</td>
<td>Table F.110, line 2.</td>
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<td>2b. Fixed nonresidential investment by foreign banking offices in the U.S.</td>
<td>755013003</td>
<td>3.0</td>
<td>Table F.111, line 2.</td>
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<tr>
<td>2c. Fixed nonresidential investment by bank holding companies</td>
<td>735013003</td>
<td>0.3</td>
<td>Table F.112, line 2.</td>
</tr>
<tr>
<td>2d. Fixed nonresidential investment by banks in U.S.-affiliated areas</td>
<td>745013003</td>
<td>0.1</td>
<td>Table F.113, line 2.</td>
</tr>
<tr>
<td><strong>3. Net acquisition of financial assets by the commercial banking sector</strong></td>
<td>764090005</td>
<td>457.4</td>
<td>Sum of lines 4, 5, 6, 7, 21, and 22.</td>
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<tr>
<td><strong>4. Change in vault cash held by U.S.-chartered commercial banks</strong></td>
<td>723025000</td>
<td>-0.2</td>
<td>Table F.110, line 4a. Also found in table F.108, line 19, and table F.203, line 4.</td>
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<tr>
<td><strong>5. Change in reserve deposits held by the commercial banking sector at Federal Reserve Banks (monetary authority sector)</strong></td>
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<tr>
<td>5a. Change in reserve deposits held by U.S.-chartered commercial banks at Federal Reserve Banks (monetary authority sector)</td>
<td>723013005</td>
<td>5.0</td>
<td>Table F.110, line 4b less line 4d, and less line 5b below.</td>
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<tr>
<td>5b. Change in reserve deposits held by foreign banking offices in the U.S. at Federal Reserve Banks (monetary authority sector)</td>
<td>753013003</td>
<td>1.8</td>
<td>Table F.111, line 4.</td>
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<tr>
<td>6. Change in checkable deposits and currency held by banks in U.S.-affiliated areas</td>
<td>743020003</td>
<td>−.1</td>
<td>Table F.113, line 4.</td>
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<tr>
<td>7. Change in bank credit held by the commercial banking sector</td>
<td>764005005</td>
<td>350.0</td>
<td>Sum of lines 8, 11, 12, 13, 19, and 20.</td>
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<td>8. Change in U.S. government securities held by the commercial banking sector</td>
<td>763061005</td>
<td>83.8</td>
<td>Sum of lines 9 and 10.</td>
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<td>9. Change in U.S. Treasury securities held by the commercial banking sector</td>
<td>763061105</td>
<td>8.3</td>
<td>Sum of lines 9a, 9b, 9c, and 9d.</td>
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<tr>
<td>9a. Change in U.S. Treasury securities held by U.S.-chartered commercial banks</td>
<td>723061100</td>
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<td>Table F.110, line 7.</td>
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<td>9b. Change in U.S. Treasury securities held by foreign banking offices in the U.S.</td>
<td>753061103</td>
<td>14.4</td>
<td>Table F.111, line 7.</td>
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<tr>
<td>9c. Change in U.S. Treasury securities held by bank holding companies</td>
<td>733061103</td>
<td>−.1</td>
<td>Table F.112, line 6.</td>
</tr>
<tr>
<td>9d. Change in U.S. Treasury securities held by banks in U.S.-affiliated areas</td>
<td>743061103</td>
<td>.1</td>
<td>Table F.113, line 7.</td>
</tr>
<tr>
<td>10. Change in U.S. government agency securities held by the commercial banking sector</td>
<td>763061705</td>
<td>75.5</td>
<td>Sum of lines 10a, 10b, 10c, and 10d.</td>
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<tr>
<td>10a. Change in U.S. government agency securities, including federally related mortgage pool securities and agency-issued collateralized mortgage obligations, held by U.S.-chartered commercial banks</td>
<td>723061705</td>
<td>60.4</td>
<td>Table F.110, line 8.</td>
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### F.109 Commercial Banking—Continued

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<td>10b. Change in U.S. government agency securities held by foreign banking offices in the U.S.</td>
<td>753061703</td>
<td>12.5</td>
<td>Table F.111, line 8.</td>
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<tr>
<td>10c. Change in U.S. government agency securities held by bank holding companies</td>
<td>733061703</td>
<td>.6</td>
<td>Table F.112, line 7.</td>
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<tr>
<td>10d. Change in U.S. government agency securities held by banks in U.S.-affiliated areas</td>
<td>743061703</td>
<td>2.0</td>
<td>Table F.113, line 8.</td>
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<table>
<thead>
<tr>
<th>11. Change in municipal securities held by the commercial banking sector</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tr>
<td>11a. Change in municipal securities held by U.S.-chartered commercial banks</td>
<td>723062000</td>
<td>2.4</td>
<td>Table F.110, line 12.</td>
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<tr>
<td>11b. Change in municipal securities held by foreign banking offices in the U.S.</td>
<td>753062003</td>
<td>.0</td>
<td>Table F.111, line 9.</td>
</tr>
<tr>
<td>11c. Change in municipal securities held by banks in U.S.-affiliated areas</td>
<td>743062003</td>
<td>*</td>
<td>Table F.113, line 9.</td>
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<thead>
<tr>
<th>12. Change in corporate and foreign bonds held by the commercial banking sector</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
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<tbody>
<tr>
<td>12a. Change in corporate and foreign bonds, including private mortgage pool securities and privately issued collateralized mortgage obligations, held by U.S.-chartered commercial banks</td>
<td>723063005</td>
<td>19.6</td>
<td>Table F.110, line 13.</td>
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<tr>
<td>12b. Change in corporate and foreign bonds held by foreign banking offices in the U.S.</td>
<td>753063003</td>
<td>3.1</td>
<td>Table F.111, line 10.</td>
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<tr>
<td>12c. Change in corporate and foreign bonds held by bank holding companies</td>
<td>733063003</td>
<td>5.0</td>
<td>Table F.112, line 8.</td>
</tr>
<tr>
<td>12d. Change in corporate and foreign bonds held by banks in U.S.-affiliated areas</td>
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<td>.1</td>
<td>Table F.113, line 10.</td>
</tr>
<tr>
<td>Component</td>
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<td>Explanation</td>
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<td>13. Change in total loans held by the commercial banking sector</td>
<td>764035605</td>
<td>234.7</td>
<td>Sum of lines 14, 15, 16, 17, and 18.</td>
</tr>
<tr>
<td>14. Change in open market paper held by the commercial banking sector</td>
<td>763069175</td>
<td>−.8</td>
<td>Sum of lines 14a and 14b.</td>
</tr>
<tr>
<td>14a. Change in open market paper held by U.S.-chartered commercial banks</td>
<td>723069175</td>
<td>−.6</td>
<td>Table F.110, line 18.</td>
</tr>
<tr>
<td>14b. Change in open market paper held by foreign banking offices in the U.S.</td>
<td>753069603</td>
<td>−.2</td>
<td>Table F.111, line 12.</td>
</tr>
<tr>
<td>15. Change in loans, not elsewhere classified, held by the commercial banking sector</td>
<td>763068005</td>
<td>129.3</td>
<td>Sum of lines 15a, 15b, 15c, and 15d.</td>
</tr>
<tr>
<td>15a. Change in loans, not elsewhere classified, held by U.S.-chartered commercial banks</td>
<td>723068005</td>
<td>109.3</td>
<td>Table F.110, line 19.</td>
</tr>
<tr>
<td>15b. Change in loans, not elsewhere classified, held by foreign banking offices in the U.S.</td>
<td>753068005</td>
<td>19.2</td>
<td>Table F.111, line 13.</td>
</tr>
<tr>
<td>15c. Change in commercial and industrial loans held by bank holding companies</td>
<td>733068103</td>
<td>*</td>
<td>Table F.112, line 9.</td>
</tr>
<tr>
<td>15d. Change in loans, not elsewhere classified, held by banks in U.S.-affiliated areas</td>
<td>743068105</td>
<td>.9</td>
<td>Table F.113, line 11.</td>
</tr>
<tr>
<td>16. Change in mortgages held by the commercial banking sector</td>
<td>763065005</td>
<td>98.8</td>
<td>Sum of lines 16a, 16b, and 16c.</td>
</tr>
<tr>
<td>16a. Change in total mortgages held by U.S.-chartered commercial banks</td>
<td>723065005</td>
<td>104.3</td>
<td>Table F.110, line 20.</td>
</tr>
<tr>
<td>16b. Change in commercial mortgages held by foreign banking offices in the U.S.</td>
<td>753065503</td>
<td>−6.1</td>
<td>Table F.111, line 14.</td>
</tr>
<tr>
<td>16c. Change in mortgages held by banks in U.S.-affiliated areas</td>
<td>743065003</td>
<td>.6</td>
<td>Table F.113, sum of lines 12 and 13.</td>
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### F.109 Commercial Banking—Continued

<table>
<thead>
<tr>
<th>Component</th>
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<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tr>
<td>17. Change in consumer credit held by U.S.-chartered commercial banks, as reported in the Federal Reserve Board’s monthly G.19 statistical release</td>
<td>723066000</td>
<td>-14.2</td>
<td>Table F.110, line 21.</td>
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<tr>
<td>18. Change in security credit held by the commercial banking sector</td>
<td>763067005</td>
<td>21.7</td>
<td>Sum of lines 18a and 18b.</td>
</tr>
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<td>18a. Change in security credit to security brokers and dealers held by U.S.-chartered commercial banks</td>
<td>723067003</td>
<td>4.2</td>
<td>Table F.110, line 22.</td>
</tr>
<tr>
<td>18b. Change in security credit to security brokers and dealers held by foreign banking offices in the U.S.</td>
<td>753067100</td>
<td>17.5</td>
<td>Table F.111, line 15.</td>
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<tr>
<td>19. Net purchases of corporate equities by the commercial banking sector</td>
<td>763064105</td>
<td>.6</td>
<td>Sum of lines 19a and 19b.</td>
</tr>
<tr>
<td>19a. Net purchases of corporate equities, excluding stock in Federal Reserve Banks, by U.S.-chartered commercial banks</td>
<td>723064105</td>
<td>.6</td>
<td>Table F.110, line 23.</td>
</tr>
<tr>
<td>19b. Net purchases of corporate equities by foreign banking offices in the U.S.</td>
<td>753064003</td>
<td>*</td>
<td>Table F.111, line 16.</td>
</tr>
<tr>
<td>20. Net purchases of mutual fund shares by U.S.-chartered commercial banks</td>
<td>723064203</td>
<td>.8</td>
<td>Table F.110, line 24.</td>
</tr>
<tr>
<td>21. Change in customers’ acceptance liabilities to banks</td>
<td>293169605</td>
<td>-2.8</td>
<td>Sum of lines 21a and 21b. These data are included in other loans and advances and are shown in table F.216, line 12.</td>
</tr>
<tr>
<td>21a. Change in customers’ acceptance liabilities to U.S.-chartered commercial banks</td>
<td>293169723</td>
<td>-.2</td>
<td>Table F.110, line 25.</td>
</tr>
<tr>
<td>21b. Change in customers’ acceptance liabilities to foreign banking offices in the U.S.</td>
<td>293169750</td>
<td>-2.5</td>
<td>Table F.111, line 17.</td>
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### Table F.109—Continued

<table>
<thead>
<tr>
<th>Component</th>
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<th>Explanation</th>
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<tr>
<td><strong>22. Change in total miscellaneous assets of the commercial banking sector</strong></td>
<td>763090005</td>
<td>103.5</td>
<td>Sum of lines 22a, 22b, 22c, and 22d.</td>
</tr>
<tr>
<td>22a. Change in total miscellaneous assets of U.S.-chartered commercial banks</td>
<td>723090005</td>
<td>5.5</td>
<td>Table F.110, line 26.</td>
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<tr>
<td>22b. Change in unidentified miscellaneous assets of foreign banking offices in the U.S.</td>
<td>753093005</td>
<td>37.1</td>
<td>Table F.111, line 18.</td>
</tr>
<tr>
<td>22c. Change in total miscellaneous assets of bank holding companies</td>
<td>733090005</td>
<td>59.0</td>
<td>Table F.112, line 10.</td>
</tr>
<tr>
<td>22d. Change in unidentified miscellaneous assets of banks in U.S.-affiliated areas</td>
<td>743093005</td>
<td>1.8</td>
<td>Table F.113, line 14.</td>
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<tr>
<td><strong>23. Net increase in liabilities of the commercial banking sector</strong></td>
<td>764190005</td>
<td>490.5</td>
<td>Sum of lines 24, 28, 32, 33, 34, 35, 39, 40, and 41.</td>
</tr>
<tr>
<td><strong>24. Change in interbank liabilities of the commercial banking sector</strong></td>
<td>764110005</td>
<td>-25.5</td>
<td>Sum of lines 25, 26, and 27.</td>
</tr>
<tr>
<td><strong>25. Change in interbank liabilities of U.S.-chartered commercial banks to Federal Reserve Banks (monetary authority sector)</strong></td>
<td>714010005</td>
<td>-1.6</td>
<td>Table F.110, sum of lines 29 and 30.</td>
</tr>
<tr>
<td><strong>26. Change in net interbank liabilities of the commercial banking sector to domestic banks</strong></td>
<td>904010005</td>
<td>-19.9</td>
<td>Table F.110, sum of lines 4, 31a, 31b, 31c, and 31d, less line 26c; plus table F.111, sum of lines 22a and 22b, less lines 18d and 18e. Also found in table F.203, line 21. The data are floats and discrepancies in interbank transactions.</td>
</tr>
<tr>
<td><strong>27. Change in net interbank liabilities of the U.S. commercial banking sector to banks in foreign countries</strong></td>
<td>764116005</td>
<td>-4.0</td>
<td>Sum of lines 27a, 27b, and 27c.</td>
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<tr>
<td>27a. Change in net interbank liabilities of U.S.-chartered commercial banks to foreign banks</td>
<td>724116005</td>
<td>12.5</td>
<td>Table F.110, line 32.</td>
</tr>
<tr>
<td>27b. Change in net interbank liabilities of foreign banking offices in the U.S. to foreign banks</td>
<td>754116005</td>
<td>-17.3</td>
<td>Table F.111, line 21.</td>
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### F.109 Commercial Banking—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tbody>
<tr>
<td>27c. Change in net interbank liabilities of U.S. bank holding companies to foreign affiliates</td>
<td>734116205</td>
<td>.8</td>
<td>Table F.112, line 17.</td>
</tr>
<tr>
<td>28. Change in checkable deposit liabilities of the commercial banking sector</td>
<td>763120005</td>
<td>-19.8</td>
<td>Sum of lines 29, 30, and 31.</td>
</tr>
<tr>
<td>29. Change in checkable deposit liabilities of U.S.-chartered commercial banks to the federal government</td>
<td>723123105</td>
<td>-9</td>
<td>Table F.110, line 34.</td>
</tr>
<tr>
<td>30. Change in checkable deposit liabilities of the commercial banking sector to the rest of the world</td>
<td>763122605</td>
<td>4.6</td>
<td>Sum of lines 30a and 30b.</td>
</tr>
<tr>
<td>30a. Change in checkable deposit liabilities of U.S.-chartered commercial banks to the rest of the world</td>
<td>723122605</td>
<td>4.2</td>
<td>Table F.110, line 35.</td>
</tr>
<tr>
<td>30b. Change in checkable deposit liabilities of foreign banking offices in the U.S. to the rest of the world</td>
<td>753122603</td>
<td>.4</td>
<td>Table F.110, line 35e.</td>
</tr>
<tr>
<td>31. Change in checkable deposit liabilities of the commercial banking sector to private domestic sectors</td>
<td>763129205</td>
<td>-23.5</td>
<td>Sum of lines 31a, 31b, and 31c.</td>
</tr>
<tr>
<td>31a. Change in checkable deposit liabilities of U.S.-chartered commercial banks to private domestic sectors</td>
<td>723129205</td>
<td>-24.3</td>
<td>Table F.110, line 36.</td>
</tr>
<tr>
<td>31b. Change in checkable deposit liabilities of foreign banking offices in the U.S. to private domestic sectors</td>
<td>753129205</td>
<td>.4</td>
<td>Table F.111, line 23, less line 30b above.</td>
</tr>
<tr>
<td>31c. Change in checkable deposit liabilities of banks in U.S.-affiliated areas</td>
<td>743120003</td>
<td>.4</td>
<td>Table F.113, line 16.</td>
</tr>
<tr>
<td>32. Change in small time and savings deposit liabilities of the commercial banking sector</td>
<td>763131005</td>
<td>148.3</td>
<td>Sum of lines 32a, 32b, and 32c.</td>
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<td>Component</td>
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<td>1997 value (billions of dollars)</td>
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<tr>
<td>32a. Change in small time and savings deposit liabilities of U.S.-chartered commercial banks</td>
<td>723131005</td>
<td>143.9</td>
<td>Table F.110, line 37.</td>
</tr>
<tr>
<td>32b. Change in small time and savings deposit liabilities of foreign banking offices in the U.S.</td>
<td>753131005</td>
<td>4.4</td>
<td>Table F.111, line 24.</td>
</tr>
<tr>
<td>32c. Change in small time and savings deposit liabilities of banks in U.S.-affiliated areas</td>
<td>743131005</td>
<td>*</td>
<td>Table F.113, line 17.</td>
</tr>
<tr>
<td>33. Change in large time deposit liabilities of the commercial banking sector</td>
<td>763135005</td>
<td>107.9</td>
<td>Sum of lines 33a, 33b, and 33c.</td>
</tr>
<tr>
<td>33a. Change in large time deposit liabilities of U.S.-chartered commercial banks, excluding time deposits owed to the commercial banking sector</td>
<td>723135005</td>
<td>63.2</td>
<td>Table F.110, line 38.</td>
</tr>
<tr>
<td>33b. Change in large time deposit liabilities of foreign banking offices in the U.S., excluding time deposits owed to U.S.-chartered commercial banks</td>
<td>753135005</td>
<td>44.7</td>
<td>Table F.111, line 25.</td>
</tr>
<tr>
<td>33c. Change in large time deposit liabilities of banks in U.S.-affiliated areas</td>
<td>743135005</td>
<td>*</td>
<td>Table F.113, line 18.</td>
</tr>
<tr>
<td>34. Change in outstanding federal funds bought by the commercial banking sector and in outstanding loans to the sector under security repurchase agreements, net of change in funds sold by the sector and in loans held by the sector under such agreements</td>
<td>762150005</td>
<td>89.0</td>
<td>Sum of lines 34a, 34b, and 34c.</td>
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### F.109 Commercial Banking—Continued

<table>
<thead>
<tr>
<th>Component</th>
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<th>Explanation</th>
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<tbody>
<tr>
<td>34a. Change in outstanding federal funds bought by U.S.-chartered commercial banks and in outstanding loans to them under security repurchase agreements, net of change in funds sold by them to the commercial banking sector and in loans held by them under such agreements with the commercial banking sector</td>
<td>722150005</td>
<td>63.4</td>
<td>Table F.110, line 39.</td>
</tr>
<tr>
<td>34b. Change in outstanding federal funds bought by foreign banking offices in the U.S. from nonbank sources and in outstanding loans to them from nonbank sources under security repurchase agreements</td>
<td>752150000</td>
<td>25.6</td>
<td>Table F.111, line 26.</td>
</tr>
<tr>
<td>34c. Change in outstanding loans to bank holding companies under security repurchase agreements, net of change in loans held by them under such agreements</td>
<td>732150005</td>
<td>*</td>
<td>Table F.112, line 18.</td>
</tr>
<tr>
<td>35. Change in credit market debt of the commercial banking sector</td>
<td>764104005</td>
<td>46.1</td>
<td>Sum of lines 36, 37, and 38.</td>
</tr>
<tr>
<td>36. Change in open market paper liabilities of the commercial banking sector</td>
<td>763169175</td>
<td>3.3</td>
<td>Sum of lines 36a, 36b, and 36c.</td>
</tr>
<tr>
<td>36a. Change in acceptance liabilities of U.S.-chartered commercial banks</td>
<td>723169603</td>
<td>−.3</td>
<td>Table F.110, line 40.</td>
</tr>
<tr>
<td>36b. Change in acceptance liabilities of foreign banking offices in the U.S.</td>
<td>753169600</td>
<td>−2.4</td>
<td>Table F.111, line 27.</td>
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<tr>
<td>36c. Change in commercial paper liabilities of bank holding companies</td>
<td>733169103</td>
<td>6.0</td>
<td>Table F.112, line 20.</td>
</tr>
<tr>
<td>37. Change in corporate bond liabilities of the commercial banking sector</td>
<td>763163005</td>
<td>23.7</td>
<td>Sum of lines 37a and 37b.</td>
</tr>
<tr>
<td>Component</td>
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<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
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<tr>
<td>37a. Change in corporate bond liabilities of U.S.-chartered commercial banks</td>
<td>723163003</td>
<td>10.7</td>
<td>Table F.110, line 41.</td>
</tr>
<tr>
<td>37b. Change in corporate bond liabilities of bank holding companies</td>
<td>733163003</td>
<td>13.0</td>
<td>Table F.112, line 21.</td>
</tr>
<tr>
<td>38. Change in other loans and advances owed by U.S.-chartered commercial banks</td>
<td>723169255</td>
<td>19.1</td>
<td>Table F.110, line 42.</td>
</tr>
<tr>
<td>39. Net issuance of corporate equities by the commercial banking sector</td>
<td>763164005</td>
<td>−27.7</td>
<td>Sum of lines 39a and 39b.</td>
</tr>
<tr>
<td>39a. Net issuance of corporate equities by U.S.-chartered commercial banks</td>
<td>723164003</td>
<td>3.2</td>
<td>Table F.110, line 43.</td>
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<tr>
<td>39b. Net issuance of corporate equities by bank holding companies</td>
<td>733164003</td>
<td>−30.9</td>
<td>Table F.112, line 22.</td>
</tr>
<tr>
<td>40. Change in taxes payable by U.S.-chartered commercial banks</td>
<td>723178003</td>
<td>1.4</td>
<td>Table F.110, line 44.</td>
</tr>
<tr>
<td>41. Change in total miscellaneous liabilities of the commercial banking sector</td>
<td>763190005</td>
<td>170.9</td>
<td>Sum of lines 41a, 41b, 41c, and 41d.</td>
</tr>
<tr>
<td>41a. Change in total miscellaneous liabilities of U.S.-chartered commercial banks</td>
<td>723190005</td>
<td>71.2</td>
<td>Table F.110, line 45.</td>
</tr>
<tr>
<td>41b. Change in total miscellaneous liabilities of foreign banking offices in the U.S.</td>
<td>753190005</td>
<td>56.0</td>
<td>Table F.111, line 28.</td>
</tr>
<tr>
<td>41c. Change in unidentified miscellaneous liabilities of bank holding companies</td>
<td>733193005</td>
<td>39.0</td>
<td>Table F.112, line 23.</td>
</tr>
<tr>
<td>41d. Change in unidentified miscellaneous liabilities of banks in U.S.-affiliated areas</td>
<td>743193005</td>
<td>4.7</td>
<td>Table F.113, line 19.</td>
</tr>
<tr>
<td>42. Discrepancy for the commercial banking sector, equal to gross saving less gross investment</td>
<td>767005005</td>
<td>68.9</td>
<td>Sum of lines 42a, 42b, 42c, and 42d; also the sum of lines 1 and 23, less lines 2 and 3. The discrepancy is a use of funds in the FOF accounts.</td>
</tr>
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</table>
### F.109  Commercial Banking—Continued

<table>
<thead>
<tr>
<th>Component</th>
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<tr>
<td>42a. Discrepancy for U.S.-chartered commercial banks, equal to gross saving less gross investment</td>
<td>727005005</td>
<td>66.6</td>
<td>Table F.110, line 48.</td>
</tr>
<tr>
<td>42b. Discrepancy for foreign banking offices in the U.S., equal to gross saving less gross investment</td>
<td>757005005</td>
<td>2.6</td>
<td>Table F.111, line 32.</td>
</tr>
<tr>
<td>42c. Discrepancy for bank holding companies, equal to gross saving less gross investment</td>
<td>737005005</td>
<td>*</td>
<td>Table F.112, line 26.</td>
</tr>
<tr>
<td>42d. Discrepancy for banks in U.S.-affiliated areas, equal to gross saving less gross investment</td>
<td>747005005</td>
<td>−.4</td>
<td>Table F.113, line 20.</td>
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</table>

#### 43. Memorandum item: Credit market funds advanced by the commercial banking sector

<table>
<thead>
<tr>
<th>Component</th>
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<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tr>
<td>43a. Change in credit market assets of U.S.-chartered commercial banks</td>
<td>724004005</td>
<td>274.9</td>
<td>Table F.110, line 49.</td>
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<tr>
<td>43b. Change in credit market assets of foreign banking offices in the U.S.</td>
<td>754004005</td>
<td>40.2</td>
<td>Table F.111, line 33.</td>
</tr>
<tr>
<td>43c. Change in credit market assets of bank holding companies</td>
<td>734004005</td>
<td>5.4</td>
<td>Table F.112, line 4.</td>
</tr>
<tr>
<td>43d. Change in credit market assets of banks in U.S.-affiliated areas</td>
<td>744002005</td>
<td>3.7</td>
<td>Table F.113, line 5.</td>
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</tbody>
</table>
Table F.110  U.S.-Chartered Commercial Banks

Commercial banks are financial intermediaries that raise funds through demand and time deposits as well as from other sources, such as federal funds purchases and security repurchase agreements, funds from parent companies, and borrowing from other lending institutions (for example, the Federal Home Loan Banks); they use the funds to make loans, primarily to businesses and individuals, and to invest in securities. U.S.-chartered commercial banks are established under the regulations of a U.S. chartering authority—either the U.S. Comptroller of the Currency (for national banks) or the banking authority of one of the fifty states or the District of Columbia (for state-chartered banks). The deposit liabilities of U.S.-chartered commercial banks are components of various monetary aggregates (measures of the U.S. money supply published by the Federal Reserve System).

Because of the importance of banks in the U.S. financial system, their activities are closely monitored by federal regulatory agencies. In recent years, the commercial banking industry has undergone significant consolidation as a result of both the gradual removal of prohibitions on interstate banking arrangements and the growing similarity of other financial institutions to commercial banks; at the end of 1998 there were approximately 9,000 U.S.-chartered commercial banks, down from a peak of 14,407 in 1980.

Data for U.S.-chartered commercial banks shown in this table are taken directly from quarterly reports of condition submitted to regulatory authorities and published by the Federal Financial Institutions Examinations Council. The sector’s assets and liabilities are reported on a consolidated basis; that is, intra-sector deposit and loan balances are netted out. Foreign branches and foreign subsidiaries of U.S.-chartered commercial banks are not included in the consolidation; their assets and liabilities are included in the rest of the world sector.

Credit market funds advanced, shown in line 49, is a measure of funds supplied by the sector to domestic nonfinancial sectors. The measure differs from bank credit, which is shown in line 5, in that credit market funds advanced excludes security credit, corporate equities, and mutual fund shares and includes customers’ liability on acceptances.
## Table F.110

### U.S.-Chartered Commercial Banks

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<tbody>
<tr>
<td><strong>FA726000105</strong> Gross saving</td>
<td>25.6</td>
<td>17.8</td>
<td>6.7</td>
<td>9.6</td>
<td>-0.7</td>
</tr>
<tr>
<td><strong>FA725013003</strong> Fixed nonresidential investment</td>
<td>13.5</td>
<td>12.2</td>
<td>10.5</td>
<td>10.6</td>
<td>9.2</td>
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<tr>
<td><strong>FA724090005</strong> Net acquisition of financial assets</td>
<td>73.7</td>
<td>157.1</td>
<td>153.9</td>
<td>200.5</td>
<td>122.8</td>
</tr>
<tr>
<td><strong>FA723020005</strong> Vault cash and reserves at Federal Reserve</td>
<td>1.1</td>
<td>3.0</td>
<td>2.0</td>
<td>1.5</td>
<td>-0.3</td>
</tr>
<tr>
<td><strong>FA724005005</strong> Total bank credit</td>
<td>71.9</td>
<td>157.5</td>
<td>140.5</td>
<td>194.8</td>
<td>115.2</td>
</tr>
<tr>
<td><strong>FA723061005</strong> U.S. government securities</td>
<td>85.5</td>
<td>56.8</td>
<td>-25.2</td>
<td>-17.1</td>
<td>-19.4</td>
</tr>
<tr>
<td><strong>FA723061100</strong> Treasury</td>
<td>46.6</td>
<td>20.6</td>
<td>-27.0</td>
<td>-40.4</td>
<td>-34.7</td>
</tr>
<tr>
<td><strong>FA723061705</strong> Agency</td>
<td>38.9</td>
<td>36.2</td>
<td>1.8</td>
<td>23.4</td>
<td>15.3</td>
</tr>
<tr>
<td><strong>FA723061753</strong> Mortgage pool securities</td>
<td>1.8</td>
<td>17.6</td>
<td>9.1</td>
<td>12.9</td>
<td>21.4</td>
</tr>
<tr>
<td><strong>FA723061763</strong> Agency-issued CMOs</td>
<td>33.3</td>
<td>11.1</td>
<td>-14.4</td>
<td>-18.4</td>
<td>-11.5</td>
</tr>
<tr>
<td><strong>FA723061795</strong> Other agency securities</td>
<td>3.8</td>
<td>7.5</td>
<td>7.1</td>
<td>28.8</td>
<td>5.4</td>
</tr>
<tr>
<td><strong>FA723062000</strong> Municipal securities</td>
<td>-5.7</td>
<td>1.9</td>
<td>-2.0</td>
<td>-4.3</td>
<td>1.0</td>
</tr>
<tr>
<td><strong>FA723063005</strong> Corporate and foreign bonds</td>
<td>-3.2</td>
<td>0.1</td>
<td>-0.6</td>
<td>3.3</td>
<td>-4.5</td>
</tr>
<tr>
<td><strong>FA723065773</strong> Private mortgage pool securities</td>
<td>0.3</td>
<td>0.9</td>
<td>-1.1</td>
<td>0.9</td>
<td>-0.4</td>
</tr>
<tr>
<td><strong>FA723063763</strong> Privately issued CMOs</td>
<td>-6.6</td>
<td>-1.8</td>
<td>1.7</td>
<td>3.5</td>
<td>-3.1</td>
</tr>
<tr>
<td><strong>FA723063095</strong> Other bonds</td>
<td>3.1</td>
<td>1.0</td>
<td>-1.2</td>
<td>-1.1</td>
<td>-1.0</td>
</tr>
<tr>
<td><strong>FA723069175</strong> Open market paper</td>
<td>-1.6</td>
<td>-1.0</td>
<td>-1.3</td>
<td>0.3</td>
<td>0.3</td>
</tr>
<tr>
<td><strong>FA723068005</strong> Bank loans n.e.c.</td>
<td>-19.4</td>
<td>8.8</td>
<td>46.2</td>
<td>77.0</td>
<td>58.2</td>
</tr>
<tr>
<td><strong>FA723065005</strong> Mortgages</td>
<td>21.1</td>
<td>52.6</td>
<td>68.1</td>
<td>81.7</td>
<td>57.5</td>
</tr>
<tr>
<td><strong>FA723066000</strong> Consumer credit</td>
<td>-7.3</td>
<td>32.8</td>
<td>63.1</td>
<td>43.2</td>
<td>24.8</td>
</tr>
<tr>
<td><strong>FA723067003</strong> Security credit</td>
<td>3.1</td>
<td>4.1</td>
<td>-4.6</td>
<td>8.3</td>
<td>-4.8</td>
</tr>
<tr>
<td><strong>FA723064105</strong> Corporate equities</td>
<td>-0.4</td>
<td>0.9</td>
<td>-1.4</td>
<td>2.1</td>
<td>1.8</td>
</tr>
<tr>
<td><strong>FA723064203</strong> Mutual fund shares</td>
<td>-0.4</td>
<td>0.5</td>
<td>-1.9</td>
<td>0.3</td>
<td>0.3</td>
</tr>
<tr>
<td><strong>FA723069175</strong> Customers' liab. on acceptances (I)</td>
<td>-0.1</td>
<td>-2.4</td>
<td>-0.2</td>
<td>2.4</td>
<td>1.6</td>
</tr>
<tr>
<td><strong>FA723063095</strong> Miscellaneous assets</td>
<td>0.8</td>
<td>-0.9</td>
<td>11.7</td>
<td>1.8</td>
<td>6.2</td>
</tr>
<tr>
<td><strong>FA724004005</strong> Credit market funds advanced (2)</td>
<td>69.5</td>
<td>149.6</td>
<td>148.1</td>
<td>186.5</td>
<td>119.6</td>
</tr>
</tbody>
</table>

**Memo:**

(1) Included in other loans and advances (table F.216).

(2) Total bank credit (line 5) less security credit (line 22) less corporate equities (line 23) less mutual fund shares (line 24) plus customers' liability on acceptances (line 25).
F.110 U.S.-Chartered Commercial Banks

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gross saving of U.S.-chartered commercial banks</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1a. Undistributed profits of financial corporations, at book value</td>
<td>726000105</td>
<td>7.7</td>
<td>Line 1a net of lines 1b through 1l, plus line 1m and 50 percent of line 1n.</td>
</tr>
<tr>
<td>1b. Undistributed profits of Federal Reserve Banks (monetary authority sector)</td>
<td>796006001</td>
<td>48.2</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.16, line 14, Undistributed profits of corporate business, less line 32, Undistributed profits of nonfinancial corporate business. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>1c. Undistributed profits of bank holding companies</td>
<td>716006003</td>
<td>2.5</td>
<td>Seasonally adjusted flow from special tabulation of undistributed profits of FR Banks provided once a year by BEA. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>1d. Undistributed profits of savings institutions</td>
<td>736006000</td>
<td>37.0</td>
<td>Unadjusted flow from FR Y-9LP report, schedule PI, Income or loss before undistributed income of subsidiaries and associated companies (series BHCP0496). Report gives year-to-date earnings; figures for previous quarters in the same year are subtracted from the total shown in the form to obtain the value for the current quarter. Seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>1e. Undistributed profits of credit unions</td>
<td>446006003</td>
<td>−.7</td>
<td>Seasonally adjusted flow from special tabulation of undistributed profits of savings institutions provided once a year by BEA. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>1f. Undistributed profits of life insurance companies</td>
<td>476006003</td>
<td>2.3</td>
<td>Seasonally adjusted flow from special tabulation of undistributed profits of credit unions provided once a year by BEA. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>546006003</td>
<td>−8.1</td>
</tr>
</tbody>
</table>
### Table F.110—Continued

<table>
<thead>
<tr>
<th>Component</th>
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<tbody>
<tr>
<td>lg. Undistributed profits of other insurance companies</td>
<td>516006003</td>
<td>.1</td>
<td>Seasonally adjusted flow from special tabulation of undistributed profits of non-life insurance companies excluding private pension plans provided once a year by BEA. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>lh. Undistributed profits of mutual funds</td>
<td>656006003</td>
<td>4.9</td>
<td>Seasonally adjusted flow from special tabulation of undistributed profits of mutual funds provided once a year by BEA. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>li. Undistributed profits of government-sponsored enterprises</td>
<td>406006003</td>
<td>1.6</td>
<td>Seasonally adjusted flow from special tabulation of undistributed profits of GSEs provided once a year by BEA. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>lj. Undistributed profits of finance companies</td>
<td>616006003</td>
<td>9.3</td>
<td>Seasonally adjusted flow from special tabulation of undistributed profits of credit agencies not elsewhere classified provided once a year by BEA. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>lk. Undistributed profits of real estate investment trusts</td>
<td>646006003</td>
<td>2.0</td>
<td>Seasonally adjusted flow from special tabulation of undistributed profits of REITs provided once a year by BEA. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>ll. Undistributed profits of security brokers and dealers</td>
<td>666006003</td>
<td>−1.1</td>
<td>Seasonally adjusted flow from special tabulation of undistributed profits of security and commodity brokers provided once a year by BEA. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
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</table>
F.110 U.S.-Chartered Commercial Banks—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
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</thead>
<tbody>
<tr>
<td>1m. Consumption of fixed nonresidential capital by U.S.-chartered commercial banks, with nonresidential structures and equipment valued at current cost</td>
<td>726330003</td>
<td>11.9</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth (FRTW), table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NF6B1EQ00; revisions and updates provided by BEA), nondepository institutions (M1NF611EQ00), insurance carriers (M1NF631EQ00), and holding and other investment offices (M1NF671EQ00); plus Structures for commercial and mutual depository institutions (M1NF6B1ST00), nondepository institutions (M1NF611ST00), insurance carriers (M1NF631ST00), and holding and other investment offices (M1NF671ST00). For the equipment component of the total, the sum is multiplied by the ratio of consumption of fixed nonresidential equipment capital by commercial and mutual depository institutions to consumption of fixed nonresidential equipment and structures capital by commercial and mutual depository institutions, and by the ratio of tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. The structures component is the sum of consumption of fixed nonresidential structures capital by the four financial institution groups delineated in FRTW less consumption of fixed nonresidential structures capital by the FOF sectors cited above other than U.S.-chartered commercial banks. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
<tr>
<td>----------------------------------------------------------------</td>
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<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
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<tr>
<td>In. Capital consumption adjustment for financial corporations</td>
<td>796310003</td>
<td>-5.3</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.16, line 16, Capital consumption adjustment for corporate business, less line 34, Capital consumption adjustment for nonfinancial corporate business. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
</tbody>
</table>
### F.110 U.S.-Chartered Commercial Banks—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
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<th>Explanation</th>
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<tr>
<td>2. Fixed nonresidential investment by U.S.-chartered commercial banks</td>
<td>725013003</td>
<td>9.3</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth (FRTW), Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NFI611EQ00), insurance carriers (I3NFI631EQ00), and holding and other investment offices (I3NFI671EQ00); plus Structures for commercial and mutual depository institutions (I3NFI6B1ST00), nondepository institutions (I3NFI611ST00), insurance carriers (I3NFI631ST00), and holding and other investment offices (I3NFI671ST00). For the equipment component of the total, the sum is multiplied by the ratio of investment in equipment by commercial and mutual depository institutions to investment in equipment and nonresidential structures by commercial and mutual depository institutions, and by the ratio of tangible assets reported by U.S.-chartered commercial banks to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. The structures component is the sum of investment in structures by the four financial institution groups delineated in FRTW less investment in structures by the FOF financial sectors cited above other than U.S.-chartered commercial banks. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
</tbody>
</table>
### Table F.110—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. Change in vault cash and in reserves held by U.S.-chartered commercial</td>
<td>723020005</td>
<td>4.8</td>
<td>Line 4a, plus change in reserves held at Federal Reserve Banks by U.S.-chartered commercial banks (equal to line 4b net of lines 4c and 4d).</td>
</tr>
<tr>
<td>banks at Federal Reserve Banks</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4a. Change in vault cash held by U.S.-chartered commercial banks (liability</td>
<td>723025000</td>
<td>-.2</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-A, Currency and coin (series RCON0080). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>of the monetary authority)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4b. Change in reserve deposits held by depository institutions at Federal</td>
<td>713113000</td>
<td>6.3</td>
<td>Level from FR Bulletin, table 1.18, line 23, Deposit liabilities to depository institutions, end-of-month data. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>Reserve Banks (monetary authority sector)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4c. Change in reserve deposits held by foreign banking offices in the U.S.</td>
<td>753013003</td>
<td>1.8</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule A, Balances due from FR Banks (series RCFD0090); and for Edge and agreement corporations, schedule A, Balances due from FR Banks (RCFD0090). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>at Federal Reserve Banks (monetary authority sector)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4d. Change in reserve deposits held by savings institutions at Federal</td>
<td>443013053</td>
<td>-.5</td>
<td>Level from FR Board, internal Money File, Savings institutions’ reserves at FR Banks (series 1383). Series is based on depository institution data collected periodically; data are monthly averages. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Reserve Banks (monetary authority sector)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Change in total bank credit held by U.S.-chartered commercial banks</td>
<td>724005005</td>
<td>280.7</td>
<td>Sum of lines 6, 12, 13, 17, 23, and 24.</td>
</tr>
<tr>
<td>6. Change in U.S. government securities held by U.S.-chartered commercial</td>
<td>723061005</td>
<td>54.3</td>
<td>Sum of lines 7 and 8.</td>
</tr>
</tbody>
</table>
### F.110 U.S.-Chartered Commercial Banks—Continued

<table>
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<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
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</thead>
<tbody>
<tr>
<td>7. Change in U.S. Treasury securities held by U.S.-chartered commercial banks</td>
<td>723061100</td>
<td>-6.1</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-B, U.S. Treasury securities, sum of Held to maturity, Amortized cost (series RCON0211), and Available for sale, Amortized cost (RCON1286); plus schedule RC-D, U.S. Treasury securities in domestic offices (RCON3531). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>8. Change in U.S. government agency securities, including federally related mortgage pool securities and agency-issued collateralized mortgage obligations, held by U.S.-chartered commercial banks</td>
<td>723061705</td>
<td>60.4</td>
<td>Sum of lines 8a and 9.</td>
</tr>
<tr>
<td>8a. Change in U.S. government agency securities held by U.S.-chartered commercial banks</td>
<td>723061703</td>
<td>29.3</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-B, U.S. government agency obligations (exclude mortgage-backed securities), Issued by U.S. government agencies, sum of Held to maturity, Amortized cost (series RCON1289), and Available for sale, Amortized cost (RCON1291); and Issued by U.S. government-sponsored agencies, sum of Held to maturity, Amortized cost (RCON1294), and Available for sale, Amortized cost (RCON1297); plus schedule RC-D, U.S. government agency obligations in domestic offices (exclude mortgage-backed securities) (RCON3532). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
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<td>Component</td>
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<td>--------------------------------------------------------------------------</td>
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<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>9. Change in agency-issued or -guaranteed mortgage-backed securities held by U.S.-chartered commercial banks</td>
<td>723061753</td>
<td>31.1</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-B, Mortgage-backed securities (MBS), Pass-through securities, Guaranteed by GNMA, sum of Held to maturity, Amortized cost (series RCON1698), and Available for sale, Amortized cost (RCON1701); and Issued by FNMA and FHLMC, sum of Held to maturity, Amortized cost (RCON1703), and Available for sale, Amortized cost (RCON1706); plus schedule RC-D, Mortgage-backed securities (MBS) in domestic offices, Pass-through securities issued or guaranteed by FNMA, FHLMC, or GNMA (RCON3534). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>10. Change in agency-issued or -guaranteed collateralized mortgage obligations held by U.S.-chartered commercial banks</td>
<td>723061763</td>
<td>17.5</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-B, Mortgage-backed securities (MBS), Other mortgage-backed securities (include CMOs, REMICs, and stripped MBS), Issued or guaranteed by FNMA, FHLMC, or GNMA, sum of Held to maturity, Amortized cost (series RCON1714), and Available for sale, Amortized cost (RCON1716); plus schedule RC-D, Mortgage-backed securities (MBS) in domestic offices, Other mortgage-backed securities issued or guaranteed by FNMA, FHLMC, or GNMA (include CMOs, REMICs, and stripped MBS) (RCON3535). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>11. Change in other agency securities held by U.S.-chartered commercial banks</td>
<td>723061795</td>
<td>11.8</td>
<td>Line 8 less lines 9 and 10.</td>
</tr>
</tbody>
</table>
### F.110 U.S.-Chartered Commercial Banks—Continued

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<tr>
<th>Component</th>
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</tr>
</thead>
<tbody>
<tr>
<td>12. Change in municipal securities held by U.S.-chartered commercial banks</td>
<td>723062000</td>
<td>2.4</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-B, Securities issued by states and political subdivisions in the U.S., General obligations, sum of Held to maturity, Amortized cost (series RCON1676), and Available for sale, Amortized cost (RCON1678); Revenue obligations, sum of Held to maturity, Amortized cost (RCON1681), and Available for sale, Amortized cost (RCON1690); and Industrial development and similar obligations, sum of Held to maturity, Amortized cost (RCON1694), and Available for sale, Amortized cost (RCON1696); plus schedule RC-C, Obligations (other than securities and leases) of states and political subdivisions in the U.S. (includes nonrated industrial development obligations) (RCON2107); and schedule RC-D, Securities issued by states and political subdivisions in the U.S. in domestic offices (RCON3533). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>13. Change in corporate and foreign bonds, including private mortgage pool securities and privately issued collateralized mortgage obligations, held by U.S.-chartered commercial banks</td>
<td>723063005</td>
<td>19.6</td>
<td>Sum of lines 13a and 14.</td>
</tr>
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</table>
### Table F.110—Continued

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<tr>
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<tbody>
<tr>
<td>13a. Change in corporate and foreign bonds held by U.S.-chartered</td>
<td>723063003</td>
<td>20.8</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-B, Mortgage-backed securities (MBS), Other mortgage-backed securities (include CMOs, REMICs, and stripped MBS), Collateralized by MBS issued or guaranteed by FNMA, FHLMC, or GNMA, sum of Held to maturity, Amortized cost (series RCON1718), and Available for sale, Amortized cost (RCON1731); and All other mortgage-backed securities, sum of Held to maturity, Amortized cost (RCON1733), and Available for sale, Amortized cost (RCON1735); plus Other debt securities, Other domestic debt securities, sum of Held to maturity, Amortized cost (RCON1737), and Available for sale, Amortized cost (RCON1739); and Foreign debt securities, sum of Held to maturity, Amortized cost (RCON1742), and Available for sale, Amortized cost (RCON1744); plus schedule RC-D, Other debt securities in domestic offices (RCON3537), and Other trading assets in domestic offices (RCON3541). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>foreign commercial banks</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. Change in private mortgage pool securities held by U.S.-chartered</td>
<td>723065773</td>
<td>−1.2</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-B, Mortgage-backed securities (MBS), Pass-through securities, Other pass-through securities, sum of Held to maturity, Amortized cost (series RCON1709), and Available for sale, Amortized cost (RCON1711); plus schedule RC-D, Mortgage-backed securities in domestic offices (MBS), All other mortgage-backed securities (RCON3536). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### F.110 U.S.-Chartered Commercial Banks—Continued

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<tbody>
<tr>
<td>15. Change in privately issued collateralized mortgage obligations held by U.S.-chartered commercial banks</td>
<td>723063763</td>
<td>.7</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-B, Mortgage-backed securities (MBS), Other mortgage-backed securities (include CMOs, REMICs, and stripped MBS), Collateralized by MBS issued or guaranteed by FNMA, FHLMC, or GNMA, sum of Held to maturity, Amortized cost (series RCON1718), and Available for sale, Amortized cost (RCON1731). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>16. Change in bonds, other than private mortgage pool securities and collateralized mortgage obligations, held by U.S.-chartered commercial banks</td>
<td>723063095</td>
<td>20.2</td>
<td>Line 13 less lines 14 and 15.</td>
</tr>
<tr>
<td>17. Change in total loans held by U.S.-chartered commercial banks</td>
<td>724035605</td>
<td>203.0</td>
<td>Sum of lines 17a through 17l and 22.</td>
</tr>
<tr>
<td>17a. Change in bankers acceptances held by U.S.-chartered commercial banks</td>
<td>723069603</td>
<td>−.3</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-C, Acceptances of other banks (sum of series RCON1756 and RCON1757). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>17b. Change in loans to farm business held by U.S.-chartered commercial banks</td>
<td>133168000</td>
<td>3.5</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-C, Loans to finance agricultural production and other loans to farmers (series RCON1590). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>17c. Change in domestic commercial and industrial loans held by U.S.-chartered commercial banks</td>
<td>723068100</td>
<td>67.1</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-C, Commercial and industrial loans to U.S. addressees (domicile) (series RCON1763). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure. Through 1996;Q4, this series includes commercial paper issued by nonfarm nonfinancial corporations held in portfolio by U.S.-chartered commercial banks.</td>
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### Table F.110—Continued

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<tr>
<td>17d. Change in loans to the households and nonprofit organizations sector and to nondepository financial institutions held by U.S.-chartered commercial banks</td>
<td>723068200</td>
<td>10.0</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-C, Other loans, All other loans (exclude consumer loans) (series RCON1564). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure. Through 1996:Q4, this series includes commercial paper issued by nondepository financial institutions held in portfolio by U.S.-chartered commercial banks.</td>
</tr>
<tr>
<td>17e. Change in loans to foreign governments and official institutions held by U.S.-chartered commercial banks</td>
<td>723068263</td>
<td>−.3</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-C, Loans to foreign governments and official institutions (including foreign central banks) (series RCON2081). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>17f. Change in loans to banks in foreign countries held by U.S.-chartered commercial banks</td>
<td>723068273</td>
<td>.1</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-C, Loans to depository institutions, To banks in foreign countries (series RCON1510). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>17g. Change in commercial and industrial loans to the rest of the world and in foreign lease financing receivables held by U.S.-chartered commercial banks</td>
<td>723068283</td>
<td>5.1</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-C, sum of Commercial and industrial loans to non-U.S. addressees (domicile) (series RCON1764) and Lease financing receivables (net of unearned income) of non-U.S. addressees (domicile) (RCON2183). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>17h. Change in domestic lease financing receivables held by U.S.-chartered commercial banks</td>
<td>723069300</td>
<td>20.6</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-C, Lease financing receivables (net of unearned income) of U.S. addressees (domicile) (series RCON2182). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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### F.110 U.S.-Chartered Commercial Banks—Continued

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<tr>
<td>17i. Change in total mortgage holdings reported by U.S.-chartered commercial banks</td>
<td>723065000</td>
<td>103.8</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-C, Loans secured by real estate (sum of series RCON1415, RCON1420, RCON1797, RCON5367, RCON5368, RCON1460, and RCON1480). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>17j. Change in consumer credit held by U.S.-chartered commercial banks, as reported in quarterly reports of condition</td>
<td>723066720</td>
<td>-14.2</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-C, Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper) (series RCON1975). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>17k. Change in outstanding federal funds bought by savings institutions from U.S.-chartered commercial banks and in outstanding loans to the savings institutions from the banks under security repurchase agreements</td>
<td>442150723</td>
<td>.7</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC, 5 percent of Federal funds sold and securities purchased under agreements to resell (series RCON1350). The 5 percent figure is the approximate historical proportion of federal funds sales and security repurchase agreements of weekly reporting large commercial banks (assumed to apply to all U.S.-chartered commercial banks) made with entities other than commercial banks in the U.S. and nonbank security brokers and dealers; data for large commercial banks are from FR 2416 report, Federal funds sold and securities purchased under agreements to resell, With others (series WRBK1390), divided by Federal funds sold and securities purchased under agreements to resell, sum of With commercial banks in the U.S. (including U.S. branches and agencies of foreign banks) (WRBK1360), With nonbank brokers and dealers in securities (WRBK1370), and With others (WRBK1390). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>17l. Change in loans to savings institutions held by U.S.-chartered commercial banks</td>
<td>443168723</td>
<td>2.8</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-C, Loans to other depository institutions in the U.S. (series RCON1517). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>18. Change in open market paper held by U.S.-chartered commercial banks</td>
<td>723069175</td>
<td>−.6</td>
<td>Sum of lines 17a and 18a.</td>
</tr>
<tr>
<td>18a. Change in commercial paper held by U.S.-chartered commercial banks</td>
<td>723069703</td>
<td>−.3</td>
<td>Through 1997:Q4, level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-D, Commercial paper in domestic offices (RCON3539). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Through 1996:Q4, the series consists of commercial paper held in portfolio and in trading accounts by U.S.-chartered commercial banks; from 1997:Q1 through 1997:Q4, data are for commercial paper held in trading accounts only. Quarterly values for the series are zero beginning 1998:Q1 for levels and 1998:Q2 for flows; commercial paper held by the banks is now included with other debt securities in the quarterly Report of Condition, schedules RC-B (line 5a) and RC-D (line 5).</td>
</tr>
<tr>
<td>19. Change in loans, not elsewhere classified, held by U.S.-chartered commercial banks</td>
<td>723068005</td>
<td>109.3</td>
<td>Line 17 less lines 18, 20, 21, and 22.</td>
</tr>
<tr>
<td>20. Change in total mortgages held by U.S.-chartered commercial banks</td>
<td>723065005</td>
<td>104.3</td>
<td>Sum of lines 20a, 20b, 20c, and 20d, less lines 20e and 20f.</td>
</tr>
<tr>
<td>20a. Change in home mortgages held by the commercial banking sector</td>
<td>763065100</td>
<td>64.0</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from quarterly Reports of Condition; series is shown in FR Bulletin, table 1.54, line 8, One- to four-family mortgages held by commercial banks. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>20b. Change in multifamily residential mortgages held by the commercial banking sector</td>
<td>763065403</td>
<td>4.0</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from quarterly Reports of Condition; series is shown in FR Bulletin, table 1.54, line 9, Multifamily mortgages held by commercial banks. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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## Guide to the Flow of Funds Accounts, Volume 1

### F.110 U.S.-Chartered Commercial Banks—Continued

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<tbody>
<tr>
<td>20c. Change in commercial mortgages held by the commercial banking sector</td>
<td>763065503</td>
<td>28.7</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from quarterly Reports of Condition; series is shown in FR Bulletin, table 1.54, line 10, Commercial banks, Nonfarm, nonresidential. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>20d. Change in farm mortgages held by the commercial banking sector</td>
<td>763065600</td>
<td>2.1</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from quarterly Reports of Condition; series is shown in FR Bulletin, table 1.54, line 11. Farm mortgages held by commercial banks. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>20e. Change in commercial mortgages held by foreign banking offices in the U.S.</td>
<td>753065503</td>
<td>-6.1</td>
<td>Level from quarterly Report of Condition for U.S. branches and agencies of foreign banks, schedule C. Loans secured by real estate (series RCON1410). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>20f. Change in mortgages held by banks in U.S.-affiliated areas</td>
<td>743065003</td>
<td>.6</td>
<td>For banks located in U.S.-affiliated areas, quarterly level from Report of Condition, schedule RC-C, Loans secured by real estate (series RCFD1410); and for branches of U.S. banks located in U.S.-affiliated areas, year-end level from Foreign Branch Report of Condition, Loans secured by real estate (RCFN1410). Data for branches are annual and are converted to quarterly using data for banks in U.S.-affiliated areas. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>21. Change in consumer credit held by U.S.-chartered commercial banks, as reported in the Federal Reserve Board's monthly G.19 statistical release</td>
<td>723066000</td>
<td>-14.2</td>
<td>Level from FR Board, Financial Institutions Section, monthly G.19 statistical release, Consumer Credit, table Consumer Credit Outstanding, Not seasonally adjusted, Major holders, Commercial banks. Excludes securitized consumer credit. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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### Component Codes and Explanations

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<tr>
<td>22. <strong>Change in security credit to security brokers and dealers held by U.S.-chartered commercial banks</strong></td>
<td>723067003</td>
<td>4.2</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, sum of schedule RC-C, Loans for purchasing or carrying securities (secured and unsecured) (series RCON1545), and schedule RC, 25 percent of Federal funds sold and securities purchased under agreements to resell (RCON1350). The 25 percent figure is the approximate historical proportion of federal funds sales and security repurchase agreements of weekly reporting large commercial banks (assumed to apply to all U.S.-chartered commercial banks) made with security brokers and dealers; data for large commercial banks are from FR 2416 report, Federal funds sold and securities purchased under agreements to resell, With nonbank brokers and dealers in securities (series WRBK1370), divided by Federal funds sold and securities purchased under agreements to resell, sum of With commercial banks in the U.S. (including U.S. branches and agencies of foreign banks) (WRBK1360), With nonbank brokers and dealers in securities (WRBK1370), and With others (WRBK1390). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>23. <strong>Net purchases of corporate equities, excluding stock in Federal Reserve Banks, by U.S.-chartered commercial banks</strong></td>
<td>723064105</td>
<td>.6</td>
<td>Line 23a less lines 23b and 23c.</td>
</tr>
<tr>
<td>23a. <strong>Net purchases of corporate equities by U.S.-chartered commercial banks, including purchases of stock in Federal Reserve Banks and Federal Home Loan Banks</strong></td>
<td>723064103</td>
<td>2.7</td>
<td>Level at book value from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-B, Equity securities, All other equity securities, Available for sale, Amortized cost (series RCON1752). Level is converted to market value using percentage changes in the NYSE Composite Index of Common Stock Prices. Unadjusted flow is the change in the book-value level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>23b. <strong>Change in liabilities of Federal Reserve Banks (monetary authority sector) to U.S.-chartered commercial banks for Federal Reserve Bank stock</strong></td>
<td>713164003</td>
<td>.8</td>
<td>Level from FR Bulletin, table 1.18, line 30, Capital paid in, end-of-month data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### F.110 U.S.-Chartered Commercial Banks—Continued

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<tr>
<td>23c. Change in equity of U.S.-chartered commercial banks in Federal Home Loan Banks (government-sponsored enterprises sector)</td>
<td>723092403</td>
<td>1.3</td>
<td>Level from Federal Housing Finance Board, FHLB System Membership Report, table Capital Stock Outstanding by Member Type, Commercial banks, Total capital stock. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Data for this series are provided to the FR Board on the Federal Housing Finance Board’s Electronic Bulletin Board.</td>
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<tr>
<td>24. Net purchases of mutual fund shares by U.S.-chartered commercial banks</td>
<td>723064203</td>
<td>.8</td>
<td>Level at book value from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-B, Equity securities, Investments in mutual funds and other equity securities with readily determinable fair values, Available for sale, Amortized cost (series RCONA510). Level is converted to market value using percentage changes in the NYSE Composite Index of Common Stock Prices. Unadjusted flow is the change in the book-value level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>25. Change in customers’ acceptance liabilities to U.S.-chartered commercial banks</td>
<td>293169723</td>
<td>-.2</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC, Customers’ liability to this bank on acceptances outstanding (series RCON2155). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. This series is included in the “other loans and advances” category in the FOF accounts.</td>
</tr>
<tr>
<td>26. Change in total miscellaneous assets of U.S.-chartered commercial banks</td>
<td>723090005</td>
<td>5.5</td>
<td>Sum of lines 23b, 23c, and 26a, plus change in unidentified miscellaneous assets. Change in unidentified miscellaneous assets is a residual value calculated as line 26b less changes in identified assets (lines 7, 8, 12, 13, 17, 23a, 24, 25, 26a, 26c, 26d, 26e, 26f, 26g, and 26h).</td>
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### Table F.110—Continued

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<tr>
<td>26a. Direct investment abroad by U.S.-chartered commercial banks</td>
<td>723092100</td>
<td>3.3</td>
<td>Beginning 1982, unadjusted flow and fourth-quarter level based on special tabulations provided by BEA; before 1982, estimated by FOF Section from periodic BEA benchmark surveys of U.S. direct investment abroad. Level for other quarters is obtained by adding flow to preceding level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>26b. Change in total assets reported by U.S.-chartered commercial banks</td>
<td>724090720</td>
<td>315.0</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC, sum of Federal funds sold and securities purchased under agreements to resell (series RCON1350), Trading assets (RCON3545), Premises and fixed assets (including capitalized leases) (RCON2145), Other real estate owned (RCON2150), Investments in unconsolidated subsidiaries and associated companies (RCON2130), Customers’ liability to this bank on acceptances outstanding (RCON2155), Intangible assets (RCON2143), and Other assets (RCON2160); plus schedule RC-A, Cash and balances due from depository institutions (RCON0010); plus schedule RC-B, sum of Securities held to maturity at amortized cost (RCON1754) and Securities available for sale at amortized cost (RCON1772); plus schedule RC-H, Net due from own foreign offices, Edge and agreement subsidiaries, and IBFs (RCON2163); plus Total gross loans and leases (includes unearned income) (RCON1400). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>26c. Change in cash and deposits held by U.S.-chartered commercial banks at depository institutions</td>
<td>723020000</td>
<td>18.8</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-A, Total cash and balances due from depository institutions (series RCON0010). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<tr>
<td>26d. Change in outstanding federal funds sold by U.S.-chartered commercial banks and in outstanding loans to the commercial banking sector from U.S.-chartered commercial banks, including loans held under security repurchase agreements</td>
<td>723068723</td>
<td>-4.3</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, sum of schedule RC, 70 percent of the sum of Federal funds sold and securities purchased under agreements to resell (series RCON1350), and schedule RC-C, Loans to commercial banks in the U.S. (series RCON1505). The 70 percent figure is the approximate historical proportion of federal funds sales and security repurchase agreements of weekly reporting large commercial banks (assumed to apply to all U.S.-chartered commercial banks) made with commercial banks in the U.S.; data for large commercial banks are from FR 2416 report, Federal funds sold and securities purchased under agreements to resell, With commercial banks in the U.S. (including U.S. branches and agencies of foreign banks) (series WRBK1360), divided by Federal funds sold and securities purchased under agreements to resell, sum of With commercial banks in the U.S. (including U.S. branches and agencies of foreign banks) (WRBK1360), With nonbank brokers and dealers in securities (WRBK1370), and With others (WRBK1390). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>26e. Change in net balances held by U.S.-chartered commercial banks at affiliated and foreign-related offices</td>
<td>723092000</td>
<td>13.2</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-H, Net due from own foreign offices, Edge and agreement subsidiaries, and IBFs (series RCON2163). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>26f. Change in premises and fixed assets owned by U.S.-chartered commercial banks, at book value</td>
<td>725013413</td>
<td>2.2</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC, Premises and fixed assets (including capitalized leases) (series RCON2145). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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</table>
### Table F.110—Continued

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<tr>
<td>26g. Change in real estate owned by U.S.-chartered commercial banks, other than premises and fixed assets, at book value</td>
<td>725013513</td>
<td>−.9</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-M, Total other real estate owned (series RCFD2150) less Other real estate owned in foreign offices (RCFN5513). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>26h. Change in outstanding funds owed by foreign banking offices in the U.S. to their domestic affiliates</td>
<td>753191723</td>
<td>0</td>
<td>Level formerly taken from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule M, sum of Gross owed to related branches and agencies in the U.S. in the same state as the reporting office (series RCON3007) and Gross owed to related branches and agencies in the U.S. in other states (RCON3009); for Edge and agreement corporations, schedule E, sum of Gross owed to affiliates domiciled in the U.S., to U.S. offices of parent bank (RCFD3037), and to U.S. offices of other affiliated organizations (RCFD3041); and for New York State investment companies (through 1996:Q2), schedule M, Gross owed to related banking institutions domiciled in the U.S. (RCON3003). Unadjusted flow is the change in the level. Quarterly values for the series are assumed to equal zero beginning 1975:Q1 for levels and flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>27. Net increase in liabilities of U.S.-chartered commercial banks</td>
<td>724190005</td>
<td>359.0</td>
<td>Sum of lines 28, 33, 37, 38, 39, 40, 41, 42, 43, 44, and 45.</td>
</tr>
<tr>
<td>28. Change in net interbank liabilities of U.S.-chartered commercial banks</td>
<td>724110005</td>
<td>4.2</td>
<td>Sum of lines 29, 30, 31, and 32.</td>
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<tr>
<td>29. Change in Federal Reserve float (asset of Federal Reserve Banks, part of the monetary authority sector)</td>
<td>713022003</td>
<td>−3.6</td>
<td>Level from FR Bulletin, table 1.11, line 10, Float, end-of-month data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### F.110 U.S.-Chartered Commercial Banks—Continued

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<tr>
<td>30. Change in loans to depository institutions held by Federal Reserve Banks (monetary authority sector)</td>
<td>713068003</td>
<td>2.0</td>
<td>Level from FR Bulletin, table 1.18, line 4, Loans to depository institutions, end-of-month data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>31. Change in net interbank liabilities of U.S.-chartered commercial banks to banks in the U.S.</td>
<td>724112005</td>
<td>-6.7</td>
<td>Sum of line 4 and lines 31a through 31i, less lines 26c, 31j, and 31k.</td>
</tr>
<tr>
<td>31a. Change in cash items in process of collection held by U.S.-chartered commercial banks</td>
<td>723022000</td>
<td>-2.4</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-A, Cash items in process of collection and unpasted debits (series RCON0020). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<tr>
<td>31b. Change in deposits held by U.S.-chartered commercial banks at foreign banks</td>
<td>723022703</td>
<td>1.0</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-A, Balances due from banks in foreign countries and foreign central banks (series RCON0070). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>31c. Change in transaction deposit liabilities of U.S.-chartered commercial banks to the commercial banking sector</td>
<td>723120720</td>
<td>-6.5</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-E, Deposits of commercial banks in the U.S., Total transaction accounts (series RCON2206). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>31d. Change in nontransaction deposit liabilities of U.S.-chartered commercial banks to the commercial banking sector</td>
<td>723130723</td>
<td>.3</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-E, Deposits of commercial banks in the U.S., Total nontransaction accounts (including MMDAs) (series RCON2550). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>31e. Change in outstanding federal funds sold by foreign banking offices in the U.S. and in outstanding loans to the commercial banking sector from foreign banking offices in the U.S., including loans held under security repurchase agreements</td>
<td>753068720</td>
<td>2.0</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, sum of schedule RAL, Federal funds sold and securities purchased under agreements to resell, With commercial banks in the U.S. (series RCON1632) and With U.S. branches and agencies of other foreign banks (RCON1631), and schedule C, Loans to commercial banks in the U.S. (sum of RCON1506 and RCON1507); for Edge and agreement corporations, schedule RC, sum of Federal funds sold and securities purchased under agreements to resell (RCFD1350 less RCFN1350), and schedule C, Loans to commercial banks in the U.S. (RCFD1505 less RCFN1505); and for New York State investment companies (through 1996:Q2), sum of main schedule, Federal funds sold and securities purchased under agreements to resell (RCFD1350), and schedule A, Loans to commercial banks in the U.S. (RCON1505). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>31f. Change in gross funds owed by banks in the U.S. to foreign banking offices in the U.S.</td>
<td>753091723</td>
<td>.0</td>
<td>Level formerly taken from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule M, sum of Gross due from related branches and agencies in the U.S. in same state as the reporting office (series RCFD3008) and Gross due from related branches and agencies in the U.S. in other states (RCFD3010); for Edge and agreement corporations, schedule E, Gross due from affiliates domiciled in the U.S., sum of U.S. offices of parent bank (RCFD3038), and U.S. offices of other affiliated organizations (RCFD3042); and for New York State investment companies (through 1996:Q2), schedule M, column B, Gross due from related banking institutions domiciled in the U.S. (RCON3004). Unadjusted flow is the change in the level. Quarterly values for the series are assumed to equal zero for levels and flows beginning 1975:Q1; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>31g. Change in outstanding federal funds bought by foreign banking offices in the U.S. from nonbank sources and in outstanding loans to them from nonbank sources under security repurchase agreements</td>
<td>752150000</td>
<td>25.6</td>
<td>Level from quarterly Report of Condition for U.S. branches and agencies of foreign banks, schedule RAL, Federal funds purchased and securities sold under agreements to repurchase, With others (series RCON2820). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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### F.110 U.S.-Chartered Commercial Banks—Continued

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<tr>
<td>31h. Change in time deposits held by bank holding companies at U.S.-chartered commercial banks</td>
<td>733030003</td>
<td>-.2</td>
<td>Level from FR Y-9LP report, schedule PC, Cash and balances with unrelated depository institutions (series BHCP0010). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>31i. Change in dollar liabilities of U.S. bank holding companies to foreign affiliates</td>
<td>733192003</td>
<td>.3</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Excludes liabilities denominated in foreign currencies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>31j. Change in outstanding federal funds bought by foreign banking offices in the U.S., in outstanding loans to them under security repurchase agreements, and in other liabilities for money borrowed by them</td>
<td>753168000</td>
<td>13.2</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule RAL, sum of Federal funds purchased and securities sold under agreements to repurchase, With U.S. branches and agencies of other foreign banks (series RCON2317), With other commercial banks in the U.S. (RCON2318), and With others (RCON2820), plus schedule P, sum of Owed to U.S. offices of nonrelated U.S. banks (RCON3312), Owed to U.S. branches and agencies of nonrelated foreign banks (RCON3313), Owed to foreign branches of nonrelated U.S. banks (RCON3314), and Owed to foreign offices of nonrelated foreign banks (RCON3315); for Edge and agreement corporations, schedule RC, sum of Federal funds purchased and securities sold under agreements to repurchase (RCFD2800 less RCFN2800) and Other borrowed money (RCFD2850); and for New York State investment companies (through 1996:Q2), sum of main schedule, Federal funds purchased and securities sold under agreements to repurchase (RCON2800), and schedule L, Owed to banks in the U.S. (RCON2868). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<tr>
<td>31k. Change in outstanding short-term funds borrowed by bank holding companies</td>
<td>733169003</td>
<td>-.3</td>
<td>Level from FR Y-9LP report, schedule PC, Other borrowings with a remaining maturity of one year or less (series BHCP2332). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>**32. Change in net interbank liabilities of U.S.-chartered commercial</td>
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<td>banks to foreign banks**</td>
<td>724116005</td>
<td>12.5</td>
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<td>32a. Change in foreign-currency claims on foreigners held by international</td>
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<td>banking facilities of foreign banking offices in the U.S.</td>
<td>273011753</td>
<td>1.0</td>
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<td>32b. Change in foreign-currency liabilities owed to foreigners by</td>
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<td>international banking facilities of U.S.-chartered commercial banks and</td>
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<td>foreign banking offices in the U.S.</td>
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<td>14.5</td>
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<td>32c. Change in dollar claims on foreigners held by international banking</td>
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<tr>
<td>facilities of foreign banking offices in the U.S.</td>
<td>274000750</td>
<td>26.8</td>
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<td>32d. Change in dollar liabilities owed to foreigners by international</td>
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<td>banking facilities of U.S.-chartered commercial banks and foreign</td>
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<td>banking offices in the U.S.</td>
<td>274100760</td>
<td>54.2</td>
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<td>32e. Change in dollar liabilities of U.S.-chartered commercial banks to</td>
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<td>foreign affiliates</td>
<td>723192263</td>
<td>46.3</td>
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<tr>
<td>32f. Change in foreign-currency claims on foreigners held by international</td>
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<tr>
<td>banking facilities of U.S.-chartered commercial banks and foreign</td>
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<td>banking offices in the U.S.</td>
<td>273011763</td>
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<tbody>
<tr>
<td>32g. Change in foreign-currency liabilities owed to foreigners by international banking facilities of foreign banking offices in the U.S.</td>
<td>27311753</td>
<td>11.2</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>32h. Change in dollar claims on foreigners held by international banking facilities of U.S.-chartered commercial banks and foreign banking offices in the U.S.</td>
<td>274000760</td>
<td>36.7</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<tr>
<td>32i. Change in dollar liabilities owed to foreigners by international banking facilities of foreign banking offices in the U.S.</td>
<td>274100750</td>
<td>54.6</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<tr>
<td>32j. Change in dollar claims of U.S.-chartered commercial banks on foreign affiliates</td>
<td>723092263</td>
<td>21.7</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Excludes claims denominated in foreign currencies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>33. Change in checkable deposit liabilities of U.S.-chartered commercial banks</td>
<td>723120005</td>
<td>−21.1</td>
<td>Sum of lines 34, 35, and 36.</td>
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<tr>
<td>34. Change in checkable deposit liabilities of U.S.-chartered commercial banks to the federal government</td>
<td>723123105</td>
<td>−.9</td>
<td>Sum of lines 34a and 34b.</td>
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<tr>
<td>34a. Change in transaction deposit liabilities of U.S.-chartered commercial banks to the federal government</td>
<td>723123200</td>
<td>−3.6</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-E, Deposits of U.S. government, Total transaction accounts (series RCON2202). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<td>34b. Change in demand notes owed to the federal government by U.S.-chartered commercial banks</td>
<td>723123300</td>
<td>2.7</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC, Demand notes issued to the U.S. Treasury (series RCON2840). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<tr>
<td>35. Change in checkable deposit liabilities of U.S.-chartered commercial banks to the rest of the world</td>
<td>723122605</td>
<td>4.2</td>
<td>Sum of lines 35a and 35b, less lines 35c, 35d, and 35e.</td>
</tr>
<tr>
<td>35a. Change in U.S. checkable deposits held by the rest of the world</td>
<td>263027003</td>
<td>5.1</td>
<td>Unadjusted flow and level from SCB, USIT table 9, sum of line A10, U.S. banks' liabilities for own account, payable in dollars, Demand deposit liabilities to foreign official agencies; and line B9, U.S. banks' own liabilities, Demand deposit liabilities to unaffiliated foreigners. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>35b. Change in deposits held by the International Monetary Fund at Federal Reserve Banks (monetary authority sector)</td>
<td>713111403</td>
<td>*</td>
<td>Level provided by FR Bank of New York. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>35c. Change in deposits held by foreign official institutions at Federal Reserve Banks (monetary authority sector)</td>
<td>713122003</td>
<td>.3</td>
<td>Level from FR Bulletin, table 1.18, line 25, Deposit liabilities, Foreign—Official accounts, end-of-month data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>35d. Change in deposits held by international organizations at Federal Reserve Banks (monetary authority sector)</td>
<td>713122103</td>
<td>.2</td>
<td>Level provided by FR Bank of New York. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>35e. Change in checkable deposit liabilities of foreign banking offices</td>
<td>753122603</td>
<td>.4</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule E, Total transaction accounts and credit balances (excluding IBF), Individuals, partnerships, and corporations, Non-U.S. addressees (domicile) (series RCON1642), Banks in foreign countries (sum of RCON1646 and RCON1647), and Foreign governments and official institutions (including foreign central banks) (RCON1649); for Edge and agreement corporations, sum of schedule D, Deposit liabilities owed to individuals, partnerships, and corporations, Non-U.S. addressees (RCON2244), Foreign governments and official institutions (RCON2216), and Banks in foreign countries (RCON2213); and for New York State investment companies (through 1996:Q2), schedule F, Deposits and credit balances of individuals, partnerships, and corporations, Non-U.S. addressees (RCON2283), Foreign governments and official institutions (RCON2288), and Banks in foreign countries (RCON2293). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>36. Change in checkable deposit liabilities of U.S.-chartered commercial</td>
<td>723129205</td>
<td>−24.3</td>
<td>Sum of lines 36a and 36b, less lines 29, 31a, 31c, 34a, and 35.</td>
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<td>banks to private domestic sectors</td>
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<tr>
<td>36a. Change in total transaction deposit liabilities of U.S.-chartered</td>
<td>723126000</td>
<td>−36.2</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-E, Total transaction accounts (series RCON2215). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<td>commercial banks</td>
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<tr>
<td>36b. Change in special cash items bias correction for deposit liabilities of U.S.-chartered commercial banks</td>
<td>723129993</td>
<td>.0</td>
<td>Level estimated by FR Board, former Banking Section. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1973:Q2 for levels and 1973:Q3 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. This series is an adjustment that was required because data for the money supply for 1959:Q4 through 1973:Q1 overstated cash items in process of collection; deposits generating these cash items had not been included in the gross deposit data entering into the calculation of the money supply. For a discussion of the adjustment, see &quot;Money Stock Measures and Related Data,&quot; paragraphs on Eliminating duplication, in FR Board volume Banking and Monetary Statistics, 1941–1970, p. 6.</td>
</tr>
<tr>
<td>37. Change in small time and savings deposit liabilities of U.S.-chartered commercial banks</td>
<td>723131005</td>
<td>143.9</td>
<td>Sum of lines 37a and 37b, less line 37c.</td>
</tr>
<tr>
<td>37a. Change in total nontransaction deposit liabilities of U.S.-chartered commercial banks</td>
<td>723139000</td>
<td>207.3</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-E, Total nontransaction accounts (series RCON2385). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<tr>
<td>37b. Change in retail repurchase agreement liabilities of U.S.-chartered commercial banks</td>
<td>723139703</td>
<td>.0</td>
<td>Level from FR Board, internal Money File, Commercial bank retail repurchase agreements (series 279). Series is based on depository institution data collected periodically; data are monthly averages. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>37c. Change in large time deposit liabilities of U.S.-chartered commercial banks</td>
<td>723135000</td>
<td>63.5</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-E, Memorandum item, Components of total nontransaction accounts, Total time deposits of $100,000 or more (series RCON2604). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
</tbody>
</table>
### U.S.-Chartered Commercial Banks—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>38. Change in large time deposit liabilities of U.S.-chartered commercial banks, excluding time deposits owed to the commercial banking sector</strong></td>
<td>723135005</td>
<td>63.2</td>
<td>Line 37c less line 31d.</td>
</tr>
<tr>
<td><strong>39. Change in outstanding federal funds bought by U.S.-chartered commercial banks and in outstanding loans to them under security repurchase agreements, net of change in funds sold by them to the commercial banking sector and in loans held by them under such agreements with the commercial banking sector</strong></td>
<td>722150005</td>
<td>63.4</td>
<td>Sum of lines 31j and 39a, less lines 26d, 30, 31e, 31g, and 37b.</td>
</tr>
<tr>
<td>39a. Change in outstanding federal funds bought by U.S.-chartered commercial banks, in outstanding loans to them under security repurchase agreements, and in other liabilities for money borrowed by them</td>
<td>723168720</td>
<td>75.5</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC, sum of Federal funds purchased and securities sold under agreements to repurchase (series RCON2800) and Other borrowed money (RCON3190). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td><strong>40. Change in acceptance liabilities of U.S.-chartered commercial banks</strong></td>
<td>723169603</td>
<td>-0.3</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC, Bank’s liability on acceptances executed and outstanding (series RCON2920). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td><strong>41. Change in corporate bond liabilities of U.S.-chartered commercial banks</strong></td>
<td>723163003</td>
<td>10.7</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC, Subordinated notes and debentures (includes limited-life preferred stock and related surplus) (series RCFD3200). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td><strong>42. Change in other loans and advances owed by U.S.-chartered commercial banks</strong></td>
<td>723169255</td>
<td>19.1</td>
<td>Sum of lines 42a and 42b.</td>
</tr>
</tbody>
</table>
Table F.110—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>42a. Change in loans to U.S.-chartered commercial banks held by Federal Home Loan Banks (government-sponsored enterprises sector)</td>
<td>723169203</td>
<td>19.9</td>
<td>Level from Federal Housing Finance Board, FHLB System Membership Report, table Advances Outstanding by Member Type, Commercial banks, Total advances. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Data for this series are provided to the FR Board on the Federal Housing Finance Board’s Electronic Bulletin Board.</td>
</tr>
<tr>
<td>42b. Change in warehousing advances to U.S.-chartered commercial banks held by Sallie Mae (government-sponsored enterprises sector)</td>
<td>723169403</td>
<td>-.9</td>
<td>Level from Sallie Mae, Information Statement, Notes to Consolidated Financial Statements, note 4, Warehousing advances, Commercial banks. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>43. Net issuance of corporate equities by U.S.-chartered commercial banks</td>
<td>723164003</td>
<td>3.2</td>
<td>Unadjusted flow from quarterly Report of Income for U.S.-chartered commercial banks, schedule RI-A, Sale, conversion, acquisition, or retirement of capital stock, net (series RIAD4346). Report gives year-to-date issuance; figures for previous quarters in same year are subtracted from total shown in form to obtain value for current quarter. Series has no levels. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>44. Change in taxes payable by U.S.-chartered commercial banks</td>
<td>723178003</td>
<td>1.4</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-G, Net deferred tax liabilities (series RCFD3049), less schedule RC-F, Net deferred tax assets (RCFD2148). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>45. Change in total miscellaneous liabilities of U.S.-chartered commercial banks</td>
<td>723190005</td>
<td>71.2</td>
<td>Sum of lines 46 and 47.</td>
</tr>
</tbody>
</table>
## F.110 U.S.-Chartered Commercial Banks—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>46. Investment in U.S.-chartered commercial banks by bank holding companies</td>
<td>723194003</td>
<td>40.7</td>
<td>Level from FR Y-9LP report, schedule PC-A, sum of Equity investments in bank subsidiaries and associated banks (sum of series BHCP3239, BHCP3238, and BHCP4485) and Nonequity investments in and receivables due from bank subsidiaries and associated banks (sum of BHCP0533 and BHCP0534). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>47. Change in unidentified miscellaneous liabilities of U.S.-chartered commercial banks</td>
<td>723193005</td>
<td>30.5</td>
<td>Residual value calculated as change in reported liabilities and net worth (equal to change in reported total assets, line 26b) less changes in identified liabilities and net worth (lines 31f, 34b, 36a, 36b, 37a, 39a, 40, 41, 42, 44, 47a, and 47b).</td>
</tr>
<tr>
<td>47a. Change in net funds owed by U.S.-chartered commercial banks to foreign branches and international banking facilities</td>
<td>723192003</td>
<td>40.4</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-H, Net due to own foreign offices, Edge and agreement subsidiaries, and IBFs (series RCON2941). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>47b. Change in net worth of U.S.-chartered commercial banks</td>
<td>725080003</td>
<td>−36.1</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, total assets less total liabilities, calculated by FOF Section. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>48. Discrepancy for U.S.-chartered commercial banks, equal to gross saving less gross investment</td>
<td>727005005</td>
<td>66.6</td>
<td>Sum of lines 1 and 27, less lines 2 and 3. The discrepancy is a use of funds in the FOF accounts.</td>
</tr>
<tr>
<td>49. Memorandum item: Change in outstanding credit market funds advanced by U.S.-chartered commercial banks</td>
<td>724004005</td>
<td>274.9</td>
<td>Sum of lines 6, 12, 13, 18, 19, 20, 21, and 25. Also equal to line 5 less lines 22, 23, and 24, plus line 25.</td>
</tr>
</tbody>
</table>
Table F.111  Foreign Banking Offices in the U.S.

The foreign banking offices sector comprises four groups of banking institutions that are foreign-related or that engage exclusively in international business: (1) branches and agencies of foreign banks that are not incorporated separately from their parents, are located in the U.S., and engage in U.S. banking business; (2) Edge Act and agreement corporations, which are U.S. subsidiaries of either domestic or foreign banks and are established by such banks to engage in international business; (3) New York State investment companies, which are banking offices owned by one or more foreign banks and are chartered by the State of New York (included in the sector through 1996:Q2); and (4) American Express Bank, the international banking subsidiary of American Express Corporation. Domestically chartered U.S. banks owned in whole or part by foreign banks are part of the U.S.-chartered commercial banks sector rather than the foreign banking offices sector.

Data for the sector are taken from quarterly reports of condition filed by the institutions:

- Edge Act and agreement corporations file form FR 2886b, Consolidated Report of Condition and Income for Edge and Agreement Corporations; and
- New York State investment companies formerly filed form FR 2886a, Quarterly Report of Condition for a New York State Investment Company and Its Domestic Subsidiaries.

The Monetary Control Act of 1980 requires that foreign banking offices, along with other depository institutions, hold required reserves equal to a percentage of their deposit liabilities; the reserves must be held in the form of deposits with Federal Reserve Banks or vault cash. Since that requirement took effect, the institutions have also been eligible to borrow at the Federal Reserve discount window.
### F.111 Foreign Banking Offices in U.S. (1)

Billions of dollars

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Gross saving</td>
<td>1.2</td>
<td>1.4</td>
<td>2.3</td>
<td>2.6</td>
<td>2.8</td>
</tr>
<tr>
<td>2</td>
<td>Fixed nonresidential investment</td>
<td>1.7</td>
<td>1.9</td>
<td>2.2</td>
<td>2.3</td>
<td>2.6</td>
</tr>
<tr>
<td>3</td>
<td>Net acquisition of financial assets</td>
<td>64.4</td>
<td>32.9</td>
<td>47.5</td>
<td>76.6</td>
<td>48.5</td>
</tr>
<tr>
<td>4</td>
<td>Reserves at Federal Reserve</td>
<td>-0.3</td>
<td>0.3</td>
<td>-0.0</td>
<td>-0.1</td>
<td>0.3</td>
</tr>
<tr>
<td>5</td>
<td>Total bank credit</td>
<td>34.0</td>
<td>2.8</td>
<td>12.1</td>
<td>74.7</td>
<td>70.0</td>
</tr>
<tr>
<td>6</td>
<td>U.S. government securities</td>
<td>11.7</td>
<td>13.9</td>
<td>-1.9</td>
<td>43.9</td>
<td>30.9</td>
</tr>
<tr>
<td>7</td>
<td>Treasury</td>
<td>8.7</td>
<td>6.5</td>
<td>-3.5</td>
<td>29.6</td>
<td>18.4</td>
</tr>
<tr>
<td>8</td>
<td>Agency</td>
<td>2.9</td>
<td>7.4</td>
<td>1.5</td>
<td>14.3</td>
<td>12.4</td>
</tr>
<tr>
<td>9</td>
<td>Municipal securities</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>10</td>
<td>Corporate and foreign bonds</td>
<td>1.0</td>
<td>1.4</td>
<td>5.1</td>
<td>4.6</td>
<td>3.2</td>
</tr>
<tr>
<td>11</td>
<td>Total loans</td>
<td>21.3</td>
<td>-12.5</td>
<td>9.0</td>
<td>26.2</td>
<td>36.0</td>
</tr>
<tr>
<td>12</td>
<td>Open market paper</td>
<td>0.2</td>
<td>-0.9</td>
<td>-0.2</td>
<td>-0.4</td>
<td>0.5</td>
</tr>
<tr>
<td>13</td>
<td>Bank loans n.e.c.</td>
<td>9.9</td>
<td>-13.7</td>
<td>15.1</td>
<td>35.4</td>
<td>32.2</td>
</tr>
<tr>
<td>14</td>
<td>Mortgages</td>
<td>-2.7</td>
<td>-6.5</td>
<td>-4.8</td>
<td>-5.1</td>
<td>-2.9</td>
</tr>
<tr>
<td>15</td>
<td>Security credit</td>
<td>13.9</td>
<td>8.6</td>
<td>-1.2</td>
<td>-3.7</td>
<td>6.2</td>
</tr>
<tr>
<td>16</td>
<td>Corporate equities</td>
<td>-0.0</td>
<td>0.0</td>
<td>-0.0</td>
<td>0.0</td>
<td>-0.0</td>
</tr>
<tr>
<td>17</td>
<td>Customers' liab. on acceptances (2)</td>
<td>-3.6</td>
<td>-4.0</td>
<td>-2.1</td>
<td>-2.9</td>
<td>-0.6</td>
</tr>
<tr>
<td>18</td>
<td>Miscellaneous assets</td>
<td>34.3</td>
<td>33.8</td>
<td>37.6</td>
<td>5.0</td>
<td>-21.2</td>
</tr>
<tr>
<td>19</td>
<td>Net increase in liabilities</td>
<td>65.7</td>
<td>34.3</td>
<td>49.2</td>
<td>78.4</td>
<td>50.6</td>
</tr>
<tr>
<td>20</td>
<td>Net interbank liabilities</td>
<td>32.3</td>
<td>16.9</td>
<td>11.2</td>
<td>18.7</td>
<td>-2.5</td>
</tr>
<tr>
<td>21</td>
<td>To foreign banks</td>
<td>49.3</td>
<td>29.2</td>
<td>25.8</td>
<td>15.1</td>
<td>-11.5</td>
</tr>
<tr>
<td>22</td>
<td>To domestic banks</td>
<td>-17.0</td>
<td>-12.3</td>
<td>-14.6</td>
<td>3.6</td>
<td>9.0</td>
</tr>
<tr>
<td>23</td>
<td>Checkable deposits</td>
<td>-0.6</td>
<td>0.0</td>
<td>0.4</td>
<td>-0.1</td>
<td>-0.7</td>
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<tr>
<td>24</td>
<td>Small time and savings deposits</td>
<td>0.2</td>
<td>-0.8</td>
<td>-1.1</td>
<td>-0.7</td>
<td>0.1</td>
</tr>
<tr>
<td>25</td>
<td>Large time deposits</td>
<td>9.0</td>
<td>0.8</td>
<td>2.6</td>
<td>11.0</td>
<td>55.6</td>
</tr>
<tr>
<td>26</td>
<td>Federal funds and security RPs (net)</td>
<td>0.7</td>
<td>-4.3</td>
<td>6.7</td>
<td>1.8</td>
<td>12.0</td>
</tr>
<tr>
<td>27</td>
<td>Acceptance liabilities</td>
<td>-3.8</td>
<td>-5.1</td>
<td>-2.6</td>
<td>-3.1</td>
<td>-0.7</td>
</tr>
<tr>
<td>28</td>
<td>Miscellaneous liabilities</td>
<td>28.0</td>
<td>28.5</td>
<td>32.9</td>
<td>50.9</td>
<td>-13.3</td>
</tr>
<tr>
<td>29</td>
<td>Foreign direct investment in U.S.</td>
<td>2.7</td>
<td>2.2</td>
<td>3.4</td>
<td>6.6</td>
<td>0.3</td>
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<tr>
<td>30</td>
<td>Due to affiliates</td>
<td>3.9</td>
<td>-6.6</td>
<td>-0.5</td>
<td>6.7</td>
<td>13.7</td>
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<tr>
<td>31</td>
<td>Other</td>
<td>21.4</td>
<td>32.9</td>
<td>29.0</td>
<td>37.6</td>
<td>-27.3</td>
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<tr>
<td>32</td>
<td>Discrepancy</td>
<td>0.8</td>
<td>0.9</td>
<td>1.7</td>
<td>2.2</td>
<td>2.3</td>
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<tr>
<td>33</td>
<td>Credit market funds advanced (3)</td>
<td>16.5</td>
<td>-9.8</td>
<td>11.2</td>
<td>75.4</td>
<td>63.3</td>
</tr>
</tbody>
</table>

Memo:

- Branches and agencies of foreign banks, Edge Act and Agreement corporations, New York investment companies (through 1996:Q2), and American Express Bank.
- Included in other loans and advances (table F.216).
- Total bank credit (line 5) less security credit (line 15) less corporate equities (line 16) plus customers' liability on acceptances (line 17).
### F.111 Foreign Banking Offices in the U.S.

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gross saving of foreign banking offices in the U.S., equal to their consumption of fixed nonresidential capital, with nonresidential structures and equipment valued at current cost</td>
<td>756330003</td>
<td>3.2</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NFI66B1EQ00; revisions and updates provided by BEA), nondepository institutions (M1NFI6611EQ00), insurance carriers (M1NFI6631EQ00), and holding and other investment offices (M1NFI6671EQ00); plus Structures for commercial and mutual depository institutions (M1NFI66B1ST00), nondepository institutions (M1NFI6611ST00), insurance carriers (M1NFI6631ST00), and holding and other investment offices (M1NFI6671ST00). The sum is multiplied by the ratio of consumption of fixed nonresidential equipment capital by commercial and mutual depository institutions to consumption of fixed nonresidential equipment and structures capital by commercial and mutual depository institutions for the equipment component of the total, and by the ratio of consumption of fixed nonresidential structures capital to consumption of fixed nonresidential equipment and structures capital for the structures component; both are multiplied by the ratio of tangible assets (converted to book value) reported by foreign banking offices in the U.S. to tangible assets, at book value, reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. For 1994:Q1 onward, the values for this series obtained by the method described above have been adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>---------</td>
<td>----------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>2. Fixed nonresidential investment by foreign banking offices in the U.S.</td>
<td>755013003</td>
<td>3.0</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NFI611EQ00), insurance carriers (I3NFI631EQ00), and holding and other investment offices (I3NFI671EQ00); plus Structures for commercial and mutual depository institutions (I3NFI6B1ST00), nondepository institutions (I3NFI611ST00), insurance carriers (I3NFI631ST00), and holding and other investment offices (I3NFI671ST00). The sum is multiplied by the ratio of investment in equipment by commercial and mutual depository institutions to investment in equipment and nonresidential structures by commercial and mutual depository institutions for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets (converted to book value) reported by foreign banking offices in the U.S. to tangible assets, reported at book value, by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>3. Net acquisition of financial assets by foreign banking offices in the U.S.</td>
<td>754090005</td>
<td>96.6</td>
<td>Sum of lines 4, 5, 17, and 18. Line 17 is included in other loans and advances, table F.216 (part of line 12).</td>
</tr>
</tbody>
</table>
### F.111 Foreign Banking Offices in the U.S.—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. Change in reserve deposits held by foreign banking offices in the U.S. at Federal Reserve Banks (monetary authority sector)</td>
<td>753013003</td>
<td>1.8</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule A, Balances due from FR Banks (series RCFD0090); and for Edge and agreement corporations, schedule A, Balances due from FR Banks (RCFD0090). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>5. Change in total bank credit provided by foreign banking offices in the U.S.</td>
<td>754005005</td>
<td>60.2</td>
<td>Sum of lines 6, 9, 10, 11, and 16.</td>
</tr>
<tr>
<td>6. Change in U.S. government securities held by foreign banking offices in the U.S.</td>
<td>753061005</td>
<td>26.8</td>
<td>Sum of lines 7 and 8.</td>
</tr>
<tr>
<td>7. Change in U.S. Treasury securities held by foreign banking offices in the U.S.</td>
<td>753061103</td>
<td>14.4</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule RAL, U.S. Treasury securities (series RCFD0260) plus 75 percent of Assets held in trading accounts (RCFD3545 less RCFN3545); for Edge and agreement corporations, schedule B, U.S. Treasury securities and obligations of U.S. government (RCFD0550); and for New York State investment companies (through 1996:Q2), main schedule, U.S. Treasury securities (RCFD0260). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
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<td>8. Change in U.S. government agency securities held by foreign banking offices in the U.S.</td>
<td>753061703</td>
<td>12.5</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule RAL, U.S. government agency obligations (series RCFD0371) plus 25 percent of Assets held in trading accounts (RCFD3545 less RCFN3545); and for New York State investment companies (through 1996:Q2), main schedule, Obligations of other U.S. government agencies and corporations (RCON0371). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### Table F.11—Continued

<table>
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<td>9. Change in municipal securities held by foreign banking offices in the U.S.</td>
<td>753062003</td>
<td>0.0</td>
<td>Level formerly from Reports of Condition for foreign banking offices in the U.S. Unadjusted flow is the change in the level. Series has not been reported since 1985:Q4, and quarterly values are assumed to equal zero beginning 1985:Q4 for levels and 1986:Q1 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>10. Change in corporate and foreign bonds held by foreign banking offices in the U.S.</td>
<td>753063003</td>
<td>3.1</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule RAL, Other bonds, notes, debentures, and corporate stock (including state and local securities) (series RCON0373); for Edge and agreement corporations, schedule B, Other bonds, notes, and debentures (RCFD0385); and for New York State investment companies (through 1996:Q2), main schedule, Other bonds, notes, debentures, and corporate stock (including state and local securities) (RCON0374). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>11. Change in total loans held by foreign banking offices in the U.S.</td>
<td>754035605</td>
<td>30.3</td>
<td>Sum of lines 12, 13, 14, and 15.</td>
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<td>12. Change in open market paper held by foreign banking offices in the U.S.</td>
<td>753069603</td>
<td>-.2</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule C, sum of Acceptances of U.S. banks (series RCON1756) and Acceptances of foreign banks (RCON1757); and for New York State investment companies (through 1996:Q2), schedule A, Holdings of acceptances of other banks (RCON1593). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>13. Change in loans, not elsewhere classified, held by foreign banking offices in the U.S.</td>
<td>753068005</td>
<td>19.2</td>
<td>Sum of lines 13a through 13e, less line 12.</td>
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### F.111 Foreign Banking Offices in the U.S.—Continued

<table>
<thead>
<tr>
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<tr>
<td>13a. Change in commercial and industrial loans held by foreign banking offices in the U.S.</td>
<td>753068100</td>
<td>10.7</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule C, sum of Commercial and industrial loans to U.S. addressees (domicile) (series RCON1763), Commercial and industrial loans to non-U.S. addressees (domicile) (RCON1764), Lease financing receivables (net of unearned income) of U.S. addressees (domicile) (RCFD2182 less RCFN2182), Lease financing receivables (net of unearned income) of non-U.S. addressees (domicile) (RCFD2183 less RCFN2183), Acceptances of U.S. banks (RCON1756), and Acceptances of foreign banks (RCON1757); for Edge and agreement corporations, schedule C, sum of Commercial and industrial loans to U.S. addressees (domicile) (RCFD1761) and Commercial and industrial loans to non-U.S. addressees (domicile) (RCFD1762 less RCFN1600); and for New York State investment companies (through 1996:Q2), schedule A, sum of Commercial and industrial loans (except those secured by real estate), excluding acceptances of other banks, to U.S. addressees (domicile) (RCON1761), and Commercial and industrial loans (except those secured by real estate), excluding acceptances of other banks, to non-U.S. addressees (domicile) (RCON1762). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>13b. Change in loans to the households and nonprofit organizations sector and to nondepository financial institutions held by foreign banking offices in the U.S.</td>
<td>753068200</td>
<td>9.4</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule C, sum of Loans to other financial institutions (series RCON1520) and All other loans (include state and local obligations other than securities and loans to individuals) (RCON1885); for Edge and agreement corporations, schedule C, All other loans including lease financing receivables (RCFD2089 less RCFN2089); and for New York State investment companies (through 1996:Q2), schedule A, sum of Loans to other financial institutions (RCON1520) and All other loans, including overdrafts (RCON2083). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<td>13c. Change in loans to foreign governments and official institutions held by foreign banking offices in the U.S.</td>
<td>753068263</td>
<td>-.5</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule C, Loans to foreign governments and official institutions (including foreign central banks) (series RCON2081); for Edge and agreement corporations, schedule C, Loans to foreign governments and official institutions (including foreign central banks) (RCFD2081 less RCFN2081); and for New York State investment companies (through 1996:Q2), schedule A, Loans to foreign governments and official institutions (RCON2081). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>13d. Change in loans to foreign banks held by foreign banking offices in the U.S.</td>
<td>753068273</td>
<td>-.6</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule C, sum of Loans to foreign branches of U.S. banks (series RCON1513) and Loans to other banks in foreign countries (RCON1516); for Edge and agreement corporations, schedule C, Loans to banks in foreign countries (RCFD1510 less RCFN1510); and for New York State investment companies (through 1996:Q2), schedule A, Loans to banks in foreign countries (RCON1510). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>13e. Change in loans to savings institutions held by foreign banking offices in the U.S.</td>
<td>443168753</td>
<td>*</td>
<td>Level from quarterly Report of Condition for U.S. branches and agencies of foreign banks, schedule C, Loans to other depository institutions in the U.S. (including their IBFs) (series RCON1517). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>14. Change in commercial mortgages held by foreign banking offices in the U.S.</td>
<td>753065503</td>
<td>-6.1</td>
<td>Level from quarterly Report of Condition for U.S. branches and agencies of foreign banks, schedule C, Loans secured by real estate (series RCON1410). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>15. Change in security credit to security brokers and dealers held by foreign banking offices in the U.S.</td>
<td>753067100</td>
<td>17.5</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule RAL, Federal funds sold and securities purchased under agreements to resell, With others (series RCON1390), plus schedule C, Loans for purchasing or carrying securities (secured and unsecured) (RCON1545); and for New York State investment companies (through 1996:Q2), schedule A, Loans for purchasing or carrying securities (RCON1545). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<tr>
<td>16. Net purchases of corporate equities by foreign banking offices in the U.S.</td>
<td>753064003</td>
<td>*</td>
<td>Level from quarterly Report of Condition for Edge and agreement corporations, schedule B, Equity interests in nonaffiliated companies (series RCFD0399). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>17. Change in customers' acceptance liabilities to foreign banking offices in the U.S.</td>
<td>293169750</td>
<td>−2.5</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule RAL, Customers' liability to this branch or agency on acceptances outstanding, sum of U.S. addressees (domicile) (series RCFD2156) and Non-U.S. addressees (domicile) (RCFD2157); for Edge and agreement corporations, schedule RC, Customers' liability on acceptances outstanding (RCFD2155); and for New York State investment companies (through 1996:Q2), main schedule, Customers' liabilities to this investment company on acceptances outstanding, sum of U.S. addressees (domicile) (RCON2156) and Non-U.S. addressees (domicile) (RCON2157). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure. This series is included in the “other loans and advances” category in the FOF accounts.</td>
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<tr>
<td>18. Change in unidentified miscellaneous assets of foreign banking offices in the U.S.</td>
<td>753093005</td>
<td>37.1</td>
<td>Residual value calculated as line 18a less changes in identified assets (lines 4, 7, 8, 9, 10, 11, 16, 17, 18b through 18j, and 18k net of lines 18l and 18m).</td>
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<tr>
<td>18a. Change in total assets reported by foreign banking offices in the U.S., excluding gross amounts owed by related offices in the U.S.</td>
<td>754090003</td>
<td>112.2</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule RAL, Total assets (series RCON2170) less Net due from related depository institutions (RCFD2154), plus schedule M, Gross due from non-U.S.-domiciled offices of related depository institutions (sum of RCON3173, RCON3175, RCON3177, and RCON3179), plus schedule C, Unearned income on loans (RCFD2123); for Edge and agreement corporations, schedule RC, Total assets (RCON2170) less Net claims on affiliates (RCON2142), plus schedule C, Unearned income on loans and leases (RCON2123), plus schedule E, Gross due from affiliates domiciled outside the U.S. (sum of RCFD3044 and RCFD3048); and for New York State investment companies (through 1996:Q2), main schedule, Total assets (RCON2170) less Net due from related banking institutions in the U.S. and in foreign countries (RCON2154), plus schedule A, Unearned income on loans (RCON2123), plus schedule M, Gross due from related banking institutions domiciled outside the U.S. (RCON3018). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>18b. Change in cash items in process of collection held by foreign banking offices in the U.S.</td>
<td>753022003</td>
<td>1.0</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule A, Cash items in process of collection and unposted debits (series RCON0020); for Edge and agreement corporations, schedule A, Cash items in process of collection, unposted debits, and currency and coin (RCFD0022); and for New York State investment companies (through 1996:Q2), schedule C, Cash items in process of collection and unposted debits (RCON0020). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>18c. Change in deposits held by foreign banking offices in the U.S. at foreign banks</td>
<td>753022703</td>
<td>-.9</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule A, sum of Balances due from foreign branches of U.S. banks (series RCON0073) and Balances due from other banks in foreign countries and foreign central banks (RCON1884); for Edge and agreement corporations, schedule A, Balances due from banks in foreign countries and foreign central banks (RCFD0070 less RCFN0070); and for New York State investment companies (through 1996:Q2), schedule C, Balances with banks in foreign countries (RCON0051). Excludes claims of IBFs. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>18d. Change in demand deposits held by foreign banking offices in the U.S. at banks in the U.S.</td>
<td>753020723</td>
<td>.7</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule A, Memorandum item, Non-interest-bearing balances due from commercial banks in the U.S. (series RCON0050); for Edge and agreement corporations, schedule A, Balances due from depository institutions in the U.S. (RCFD0082 less RCFN0082); and for New York State investment companies (through 1996:Q2), schedule C, Demand balances with commercial banks in the U.S. (RCON0050). Excludes claims of IBFs. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>18e. Change in time and savings deposits held by foreign banking offices in the U.S. at banks in the U.S.</td>
<td>753030003</td>
<td>2.7</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule A, sum of Balances due from U.S. branches and agencies of other foreign banks (series RCON0083) and Balances due from other depository institutions in the U.S. (RCON0085), less Memorandum item, Non-interest-bearing balances due from commercial banks in the U.S. (RCON0050); and for New York State investment companies (through 1996:Q2), schedule C, All other cash and balances due from nonbank depository institutions (RCON0052). Excludes balances of IBFs. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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Table F.111—Continued

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<tbody>
<tr>
<td>18f. Change in outstanding federal funds sold by foreign banking offices in the U.S. and in outstanding loans to the commercial banking sector from foreign banking offices in the U.S., including loans held under security repurchase agreements</td>
<td>753068720</td>
<td>2.0</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, sum of schedule RAL, Federal funds sold and securities purchased under agreements to resell, With commercial banks in the U.S. (series RCON1632) and With U.S. branches and agencies of other foreign banks (RCON1631), and schedule C, Loans to commercial banks in the U.S. (sum of RCON1506 and RCON1507); for Edge and agreement corporations, schedule RC, sum of Federal funds sold and securities purchased under agreements to resell (RCFD1350 less RCFN1350), and schedule C, Loans to commercial banks in the U.S. (RCFD1505 less RCFN1505); and for New York State investment companies (through 1996:Q2), sum of main schedule, Federal funds sold and securities purchased under agreements to resell (RCON1350), and schedule A, Loans to commercial banks in the U.S. (RCON1505). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>18g. Change in gross funds owed by banks in the U.S. to foreign banking offices in the U.S.</td>
<td>753091723</td>
<td>0.0</td>
<td>Level formerly taken from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule M, sum of Gross due from related branches and agencies in the U.S. in same state as the reporting office (series RCFD3008) and Gross due from related branches and agencies in the U.S. in other states (RCFD3010); for Edge and agreement corporations, schedule E, Gross due from affiliates domiciled in the U.S., sum of U.S. offices of parent bank (RCFD3038) and U.S. offices of other affiliated organizations (RCFD3042); and for New York State investment companies (through 1996:Q2), schedule M, column B, Gross due from related banking institutions domiciled in the U.S. (RCON3004). Unadjusted flow is the change in the level. Quarterly values for the series are assumed to equal zero for levels and flows beginning 1975:Q1; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>18h. Change in tangible assets of foreign banking offices in the U.S., valued at current cost</td>
<td>755013103</td>
<td>2.4</td>
<td>Unadjusted flow and level estimated from periodic benchmark surveys of foreign direct investment in the U.S., with FOF Section interpolations for intervening years. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### F.111 Foreign Banking Offices in the U.S.—Continued

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<tr>
<td>18i. Change in dollar claims of foreign banking offices in the U.S. on foreign affiliates</td>
<td>753092263</td>
<td>45.7</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Excludes claims denominated in foreign currencies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>18j. Change in foreign-currency claims on foreigners held by international banking facilities of foreign banking offices in the U.S.</td>
<td>273011753</td>
<td>1.0</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>18k. Change in dollar claims on foreigners held by international banking facilities of foreign banking offices in the U.S.</td>
<td>274000750</td>
<td>26.8</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<tr>
<td>18l. Change in foreign-currency liabilities owed to foreigners by international banking facilities of foreign banking offices in the U.S.</td>
<td>273111753</td>
<td>11.2</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>18m. Change in dollar liabilities owed to foreigners by international banking facilities of foreign banking offices in the U.S.</td>
<td>274100750</td>
<td>54.6</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>20. Change in net interbank liabilities of foreign banking offices in the U.S.</td>
<td>754110005</td>
<td>−30.0</td>
<td>Sum of lines 21 and 22.</td>
</tr>
<tr>
<td>21. Change in net interbank liabilities of foreign banking offices in the U.S. to foreign banks</td>
<td>754116005</td>
<td>−17.3</td>
<td>Sum of lines 18l, 18m, and 21a, less lines 18c, 18i, 18j, and 18k.</td>
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<tr>
<td>21a. Change in dollar liabilities of foreign banking offices in the U.S. to foreign affiliates</td>
<td>753192263</td>
<td>-10.5</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Excludes liabilities denominated in foreign currencies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>22. Change in net interbank liabilities of foreign banking offices in the U.S. to banks in the U.S.</td>
<td>754112005</td>
<td>-12.7</td>
<td>Sum of lines 22a, 22b, 22c, and 22d, less lines 18d, 18e, 18f, 18g, and 26.</td>
</tr>
<tr>
<td>22a. Change in transaction deposit liabilities of foreign banking offices in the U.S. to the commercial banking sector</td>
<td>753120723</td>
<td>*</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule E, sum of Transaction accounts and credit balances owed to U.S. branches and agencies of other foreign banks (series RCON1643) and Transaction accounts and credit balances owed to other commercial banks in the U.S. (RCON1645); for Edge and agreement corporations, schedule D, Transaction accounts owed to commercial banks in the U.S. (including their IBFs) (RCON2206); and for New York State investment companies (through 1996:Q2), schedule F, Transaction accounts, Deposits and credit balances of commercial banks in the U.S. (RCON2291). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>22b. Change in nontransaction deposit liabilities of foreign banking offices in the U.S. to the commercial banking sector</td>
<td>753130723</td>
<td>5.0</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule E, Nontransaction accounts, Commercial banks in the U.S., sum of U.S. branches and agencies of other foreign banks (series RCON2347) and Other commercial banks in the U.S. (RCON2348); for Edge and agreement corporations, schedule D, Nontransaction accounts, Commercial banks in the U.S. (including their IBFs) (RCON2550); and for New York State investment companies (through 1996:Q2), schedule F, Nontransaction accounts, Deposits and credit balances of commercial banks in the U.S. (RCON2292). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<th>Explanation</th>
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<tr>
<td>22c. Change in outstanding federal funds bought by foreign banking offices in the U.S., in outstanding loans to them under security repurchase agreements, and in other liabilities for money borrowed by them</td>
<td>753168000</td>
<td>13.2</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule RAL, sum of Federal funds purchased and securities sold under agreements to repurchase, With U.S. branches and agencies of other foreign banks (series RCON2317), With other commercial banks in the U.S. (RCON2318), and With others (RCON2820), plus schedule P, sum of Owed to U.S. offices of nonrelated U.S. banks (RCON3312), Owed to U.S. branches and agencies of nonrelated foreign banks (RCON3313), Owed to foreign branches of nonrelated U.S. banks (RCON3314), and Owed to foreign offices of nonrelated foreign banks (RCON3315); for Edge and agreement corporations, schedule RC, sum of Federal funds purchased and securities sold under agreements to repurchase (RCFD2800 less RCFN2800) and Other borrowed money (RCFD2850); and for New York State investment companies (through 1996:Q2), sum of main schedule, Federal funds purchased and securities sold under agreements to repurchase (RCON2800), and schedule L, Owed to banks in the U.S. (RCON2868). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<td>22d. Change in outstanding funds owed by foreign banking offices in the U.S. to their domestic affiliates</td>
<td>753191723</td>
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<td>Level formerly taken from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule M, sum of Gross owed to related branches and agencies in the U.S. in the same state as the reporting office (series RCON3007) and Gross owed to related branches and agencies in the U.S. in other states (RCON3009); for Edge and agreement corporations, schedule E, sum of Gross owed to affiliates domiciled in the U.S., to U.S. offices of parent bank (RCFD3037), and to U.S. offices of other affiliated organizations (RCFD3041); and for New York State investment companies (through 1996:Q2), schedule M, Gross owed to related banking institutions domiciled in the U.S. (RCON3003). Unadjusted flow is the change in the level. Quarterly values for the series are assumed to equal zero beginning 1975:Q1 for levels and flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>23. Change in checkable deposit liabilities of foreign banking offices in the U.S.</td>
<td>753120005</td>
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<td>Line 23a less lines 18b and 22a.</td>
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Table F.111—Continued

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<td>23a. Change in total transaction deposit liabilities of foreign banking offices in the U.S.</td>
<td>753126003</td>
<td>1.8</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule E, Transaction accounts, Total deposits and credit balances (series RCON1653); for Edge and agreement corporations, schedule D, Transaction accounts, Total deposits (RCON2215); and for New York State investment companies (through 1996:Q2), schedule F, Transaction accounts, Total deposits and credit balances (RCON2297). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>24. Change in small time and savings deposit liabilities of foreign banking offices in the U.S.</td>
<td>753131005</td>
<td>4.4</td>
<td>Line 24a less lines 22b and 25.</td>
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<td>24a. Change in nontransaction deposit liabilities of foreign banking offices in the U.S.</td>
<td>753139003</td>
<td>54.1</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule E, Nontransaction accounts, Total deposits and credit balances (series RCON2385); for Edge and agreement corporations, schedule D, Nontransaction accounts, Total deposits (RCON2385); and for New York State investment companies (through 1996:Q2), schedule F, Nontransaction accounts, Total deposits and credit balances (RCON2298). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>25. Change in large time deposit liabilities of foreign banking offices in the U.S., excluding time deposits owed to U.S.-chartered commercial banks</td>
<td>753135005</td>
<td>44.7</td>
<td>Line 25a less line 22b.</td>
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<td>25a. Change in large time deposit liabilities of foreign banking offices in the U.S.</td>
<td>753135003</td>
<td>49.7</td>
<td>Level from quarterly Reports of Condition for U.S. branches and agencies of foreign banks, schedule E, memorandum item: Time deposits of $100,000 or more (series RCON2604). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
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<td>26. Change in outstanding federal funds bought by foreign banking offices in the U.S. from nonbank sources and in outstanding loans to them from nonbank sources under security repurchase agreements</td>
<td>752150000</td>
<td>25.6</td>
<td>Level from quarterly Report of Condition for U.S. branches and agencies of foreign banks, schedule RAL, Federal funds purchased and securities sold under agreements to repurchase, With others (series RCON2820). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<td>27. Change in acceptance liabilities of foreign banking offices in the U.S.</td>
<td>753169600</td>
<td>-2.4</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule RAL, Branch or agency liability on acceptances executed and outstanding (series RCFD2920); for Edge and agreement corporations, schedule RC, Liability on acceptances executed and outstanding (RCFD2920); and for New York State investment companies (through 1996:Q2), main schedule, Investment company liabilities on acceptances executed and outstanding (RCON2920). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<td>28. Change in total miscellaneous liabilities of foreign banking offices in the U.S.</td>
<td>753190005</td>
<td>56.0</td>
<td>Sum of lines 29, 30, and 31.</td>
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<td>29. Foreign direct investment in foreign banking offices in the U.S.</td>
<td>753192103</td>
<td>5.7</td>
<td>Beginning 1982, unadjusted flow and fourth-quarter level from special tabulations provided by BEA; before 1982, estimated by FOF Section from periodic BEA benchmark surveys of U.S. direct investment abroad. Level for other quarters is obtained by adding flow to preceding level; level is at historical cost. Annual flow and year-end level shown in SCB, September issues, article Foreign Direct Investment in the U.S.; Detail for Historical-Cost Position and Related Capital and Income Flows, table 17, Banks. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>Component</td>
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<td>Explanation</td>
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<td>30. Funds raised in commercial paper markets by U.S. funding subsidiaries of foreign-bank parent companies (funding corporations sector) and invested by the funding subsidiaries in the parents' foreign banking office subsidiaries in the U.S.</td>
<td>503094753</td>
<td>14.3</td>
<td>Level from FR Board, Capital Markets Section, daily statistical release Commercial Paper, table Commercial Paper Outstanding, Miscellaneous Categories, section Financial Companies, column Domestic issuers, Foreign bank parent, month-end outstandings. Series is compiled by FR Board from data obtained from the Depository Trust Company. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>31. Change in unidentified miscellaneous liabilities of foreign banking offices in the U.S.</td>
<td>753193005</td>
<td>35.9</td>
<td>Residual value calculated as change in reported liabilities and net worth (equal to change in reported total assets, line 18a) less changes in identified liabilities and equity investments by parent companies (lines 21a, 22c, 22d, 23a, 24a, 27, 29, and 30).</td>
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<tr>
<td>32. Discrepancy for foreign banking offices in the U.S., equal to gross saving less gross investment</td>
<td>757005005</td>
<td>2.6</td>
<td>Sum of lines 1 and 19, less lines 2 and 3. The discrepancy is a use of funds in the FOF accounts.</td>
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<td>33. Memorandum item: Change in outstanding credit market funds advanced by foreign banking offices in the U.S.</td>
<td>754004005</td>
<td>40.2</td>
<td>Sum of lines 6, 9, 10, 12, 13, 14, and 17. Also equal to line 5 less lines 15 and 16, plus line 17.</td>
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</table>
Table F.112  Bank Holding Companies

Bank holding companies (BHCs) are parent companies of commercial banks. The bank holding company sector in the flow of funds accounts consists of those bank holding companies that submit reports of condition on the Federal Reserve’s Form FR Y-9LP, Parent Company Only Financial Statements for Large Bank Holding Companies. The instructions accompanying the form state that the report is to be filed by “bank holding companies with total consolidated assets of $150 million or more, or multibank holding companies with debt outstanding to the general public or that are engaged in a nonbank activity (either directly or indirectly) involving financial leverage or engaged in credit extending activities, regardless of size.”

The major assets of bank holding companies, other than small amounts of loans and securities, are equity and non-equity investments in their subsidiaries; at the end of 1997, BHCs’ net investment in their bank subsidiaries was just under $414 billion, and their net investment in their nonbank subsidiaries—savings institutions, finance companies, mortgage companies, and security brokers and dealers—was about $90 billion. In this table, interbank liabilities of the sector are shown net of interbank assets. The main source of funding for the sector is the issuance of corporate bonds and commercial paper.
### Table F.112

**Bank Holding Companies**

Billions of dollars

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<td>Gross saving</td>
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<td>23.4</td>
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<td>Fixed nonresidential investment</td>
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<td>0.3</td>
<td>0.4</td>
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<td>0.4</td>
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<td>Net acquisition of financial assets</td>
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<td>45.1</td>
<td>26.2</td>
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<td>44.0</td>
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<td>U.S. government securities</td>
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<td>-1.3</td>
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<td>Investment in bank subsidiaries</td>
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### F.112 Bank Holding Companies

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<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<td>1. <strong>Gross saving of bank holding companies</strong></td>
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<td>37.4</td>
<td>Sum of lines 1a and 1b.</td>
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<td>1a. Undistributed profits of bank holding companies</td>
<td>736006000</td>
<td>37.0</td>
<td>Unadjusted flow from FR Y-9LP report, schedule PI, Income or loss before undistributed income of subsidiaries and associated companies (series BHCP0496). Report gives year-to-date earnings; figures for previous quarters in the same year are subtracted from the total shown in the form to obtain the value for the current quarter. Seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
<tr>
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</tbody>
</table>
| 1b. Consumption of fixed nonresidential capital by bank holding companies, with nonresidential structures and equipment valued at current cost | 736330003 | .4 | Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (M1NFI611EQ00), insurance carriers (M1NFI631EQ00), and holding and other investment offices (M1NFI671EQ00); plus Structures for commercial and mutual depository institutions (M1NFI6B1ST00), nondepository institutions (M1NFI611ST00), insurance carriers (M1NFI631ST00), and holding and other investment offices (M1NFI671ST00). The sum is multiplied by the ratio of consumption of fixed nonresidential equipment capital by holding and other investment offices to consumption of fixed nonresidential equipment and structures capital by holding and other investment offices for the equipment component of the total, and by the ratio of consumption of fixed nonresidential structures capital to consumption of fixed nonresidential equipment and structures capital for the structures component; both are multiplied by the ratio of tangible assets reported by bank holding companies to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietors.
### Component | Code | 1997 value (billions of dollars) | Explanation
--- | --- | --- | ---
2. Fixed nonresidential investment by bank holding companies | 735013003 | .3 | Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NF16B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NF1611EQ00), insurance carriers (I3NF1613EQ00), and holding and other investment offices (I3NF1671EQ00): plus Structures for commercial and mutual depository institutions (I3NF1611ST00), nondepository institutions (I3NF1611ST00), insurance carriers (I3NF1613ST00), and holding and other investment offices (I3NF1671ST00). The sum is multiplied by the ratio of investment in equipment by holding and other investment offices to investment in equipment and nonresidential structures by holding and other investment offices for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets reported by bank holding companies to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.

3. Net acquisition of financial assets by bank holding companies | 734090005 | 64.5 | Sum of lines 4 and 10.

4. Change in credit market assets of bank holding companies | 734004005 | 5.4 | Sum of lines 5, 8, and 9.
<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
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<tbody>
<tr>
<td>5. Change in U.S. government securities held by bank holding companies</td>
<td>733061005</td>
<td>.5</td>
<td>Sum of lines 6 and 7.</td>
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<tr>
<td>6. Change in U.S. Treasury securities held by bank holding companies</td>
<td>733061103</td>
<td>-.1</td>
<td>Level from FR Y-9LP report, schedule PC, U.S. Treasury securities (series BHCP0400). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>7. Change in U.S. government agency securities held by bank holding companies</td>
<td>733061703</td>
<td>.6</td>
<td>Level from FR Y-9LP report, schedule PC, Securities of U.S. government agencies and corporations and securities issued by states and political subdivisions (series BHCP6791). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>8. Change in corporate and foreign bonds held by bank holding companies</td>
<td>733063003</td>
<td>5.0</td>
<td>Level from FR Y-9LP report, schedule PC, Other debt and equity securities (series BHCP1299). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>9. Change in commercial and industrial loans held by bank holding companies</td>
<td>733068103</td>
<td>*</td>
<td>Level from FR Y-9LP report, schedule PC, sum of Loans (series BHCP0364) and Lease financing receivables (BHCP2165), both net of unearned income. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>10. Change in total miscellaneous assets of bank holding companies</td>
<td>733090005</td>
<td>59.0</td>
<td>Sum of lines 11, 12, and 13.</td>
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<td>Component</td>
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<td>11. Investment in U.S.-chartered commercial bank subsidiaries by bank holding companies</td>
<td>723194003</td>
<td>40.7</td>
<td>Level from FR Y-9LP report, schedule PC-A, sum of Equity investments in bank subsidiaries and associated banks (sum of series BHCP3239, BHCP3238, and BHCP4485) and Nonequity investments in and receivables due from bank subsidiaries and associated banks (sum of BHCP0533 and BHCP0534). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>12. Investment in nonbank financial subsidiaries by bank holding companies</td>
<td>733094695</td>
<td>25.0</td>
<td>Line 12a less lines 11 and 12b.</td>
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<tr>
<td>12a. Investment in financial subsidiaries by bank holding companies</td>
<td>733094003</td>
<td>65.3</td>
<td>Level from FR Y-9LP report, schedule PC-A, sum of Equity investments in bank subsidiaries and associated banks (sum of series BHCP3239, BHCP3238, and BHCP4485), Equity investments in nonbank subsidiaries and associated nonbank companies (sum of BHCP1273, BHCP0087, and BHCP0536), Nonequity investments in and receivables due from bank subsidiaries and associated banks (sum of BHCP0533 and BHCP0534), and Nonequity investments in and receivables due from nonbank subsidiaries and associated nonbank companies (sum of BHCP0537 and BHCP0538). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>12b. Change in dollar claims of U.S. bank holding companies on foreign affiliates</td>
<td>733092003</td>
<td>-0.4</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Excludes claims denominated in foreign currencies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>13. Change in unidentified miscellaneous assets of bank holding companies</td>
<td>733093005</td>
<td>-6.7</td>
<td>Residual value calculated as line 13a less changes in identified assets (lines 5, 8, 9, 12a, 13b, 13c, and 13d).</td>
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**F.112—Continued**

<table>
<thead>
<tr>
<th>Component</th>
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<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tr>
<td>13a. Change in total assets reported by bank holding companies</td>
<td>734090003</td>
<td>64.3</td>
<td>Level from FR Y-9LP report, schedule PC, Total assets (series BHCP2170), less items reported by tiered bank holding companies only: schedule PC-A, Equity investments in subsidiary bank holding companies and associated bank holding companies (sum of BHCP0201, BHCP0202, and BHCP0203) and Nonequity investments in and receivables due from subsidiary bank holding companies and associated bank holding companies (sum of BHCP0204 and BHCP0205). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>13b. Change in time deposits held by bank holding companies at U.S.-chartered commercial banks</td>
<td>733030003</td>
<td>-.2</td>
<td>Level from FR Y-9LP report, schedule PC, Cash and balances with unrelated depository institutions (series BHCP0010). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>13c. Change in outstanding loans held by bank holding companies under security repurchase agreements</td>
<td>732050003</td>
<td>.6</td>
<td>Level from FR Y-9LP report, schedule PC, Securities purchased under agreements to resell (series BHCP0277). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>13d. Change in tangible assets of bank holding companies, at book value</td>
<td>735013103</td>
<td>-.1</td>
<td>Level from FR Y-9LP report, schedule PC, Premises, furniture, fixtures, and equipment (series BHCP2145). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>14. Net increase in liabilities of bank holding companies</td>
<td>734190005</td>
<td>27.4</td>
<td>Sum of lines 15, 18, 19, 22, and 23.</td>
</tr>
<tr>
<td>15. Change in total net interbank liabilities of bank holding companies</td>
<td>734110005</td>
<td>.3</td>
<td>Sum of lines 16 and 17.</td>
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## F.112 Bank Holding Companies—Continued

<table>
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<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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</thead>
<tbody>
<tr>
<td>16. Change in net interbank liabilities of bank holding companies to banks in the U.S.</td>
<td>734112205</td>
<td>-.4</td>
<td>Line 16a less lines 13b and 16b.</td>
</tr>
<tr>
<td>16a. Change in outstanding short-term funds borrowed by bank holding companies</td>
<td>733169003</td>
<td>-.3</td>
<td>Level from FR Y-9LP report, schedule PC, Other borrowings with a remaining maturity of one year or less (series BHCP2332). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>16b. Change in dollar liabilities of U.S. bank holding companies to foreign affiliates</td>
<td>733192003</td>
<td>.3</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Excludes liabilities denominated in foreign currencies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>17. Change in net interbank liabilities of U.S. bank holding companies to foreign affiliates</td>
<td>734116205</td>
<td>.8</td>
<td>Line 16b less line 12b.</td>
</tr>
<tr>
<td>18. Change in outstanding loans to bank holding companies under security repurchase agreements, net of change in loans held by them under such agreements</td>
<td>732150005</td>
<td>*</td>
<td>Line 18a less line 13c.</td>
</tr>
<tr>
<td>18a. Change in outstanding loans to bank holding companies under security repurchase agreements</td>
<td>732150003</td>
<td>.6</td>
<td>Level from FR Y-9LP report, schedule PC, Securities sold under agreements to repurchase (series BHCP0279). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>19. Change in credit market debt of bank holding companies</td>
<td>734104005</td>
<td>19.0</td>
<td>Sum of lines 20 and 21.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>------------</td>
<td>----------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>20. Change in commercial paper liabilities of bank holding companies</td>
<td>733169103</td>
<td>6.0</td>
<td>Through 1997:Q2, level from FR 2416 report, Memorandum item, Commercial paper outstanding issued by related institutions of the reporting bank, sum of Issued through commercial paper brokers and dealers (series WRBK2421) and Issued directly (WRBK2423); for 1997:Q3 onward, level from FR Y-9LP report, schedule PC, Borrowings with a remaining maturity of one year or less, Commercial paper (BHCP2309). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>21. Change in corporate bond liabilities of bank holding companies</td>
<td>733163003</td>
<td>13.0</td>
<td>Level from FR Y-9LP report, schedule PC, sum of Other borrowed funds with a remaining maturity of greater than one year (series BHCP0368), Mandatory convertible securities (sum of BHCP3290 and BHCP3293), and Subordinated notes and debentures (BHCP4062). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>22. Net issuance of corporate equities by bank holding companies</td>
<td>733164003</td>
<td>–30.9</td>
<td>Unadjusted flow from FR Y-9LP report, schedule PI-A, part III, sum of Proceeds from issuance of common stock (series BHCP6607) and Proceeds from issuance of preferred stock (BHCP6619), less Payment to repurchase common stock (BHCP8518) and Payment to repurchase preferred stock (BHCP6741). Series has no levels; data are available from 1990 onward. Unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>23. Change in unidentified miscellaneous liabilities of bank holding companies</td>
<td>733193005</td>
<td>39.0</td>
<td>Sum of lines 24 and 25.</td>
</tr>
<tr>
<td>24. Change in equity accounts of bank holding companies</td>
<td>733164005</td>
<td>–13.1</td>
<td>Line 24a less line 1a.</td>
</tr>
</tbody>
</table>
## F.112 Bank Holding Companies—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tbody>
<tr>
<td>24a. Change in net worth reported by bank holding companies</td>
<td>735080003</td>
<td>23.9</td>
<td>Level from FR Y-9LP report, schedule PC, Total equity capital (series BHCP3210), less items reported by tiered bank holding companies only: schedule PC-A, Equity investments in subsidiary bank holding companies and associated bank holding companies (sum of BHCP0201, BHCP0202, and BHCP0203) and Nonequity investments in and receivables due from subsidiary bank holding companies and associated bank holding companies (sum of BHCP0204 and BHCP0205). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>25. Change in other liabilities of bank holding companies</td>
<td>733193105</td>
<td>52.1</td>
<td>Residual value calculated as change in liabilities and net worth (equal to change in calculated total assets, line 3) less changes in identified liabilities and net worth (lines 15, 18, 20, 21, 22, and 24a).</td>
</tr>
<tr>
<td>26. Discrepancy for bank holding companies, equal to gross saving less gross investment</td>
<td>737005005</td>
<td>*</td>
<td>Sum of lines 1 and 14, less lines 2 and 3. The discrepancy is a use of funds in the FOF accounts.</td>
</tr>
</tbody>
</table>
Table F.113  Banks in U.S.-Affiliated Areas

This sector is made up of commercial banks chartered in U.S.-affiliated areas and branches of U.S.-chartered commercial banks operating in these areas. U.S.-affiliated areas with local populations are the U.S. territories of American Samoa, Guam, and the U.S. Virgin Islands; the Commonwealth of the Northern Mariana Islands and the Commonwealth of Puerto Rico; two freely associated states—the Republic of the Marshall Islands and the Federated States of Micronesia; and the Trust Territory of the Pacific Islands (Palau). U.S.-affiliated areas that are uninhabited or that have only a military presence are Baker Island, Howland Island, Jarvis Island, Johnston Atoll, Kingman Reef, Midway Island, Navassa Island, Palmyra, and Wake Atoll.

Banks in U.S.-affiliated areas are considered part of the U.S. in balance of payments statistics published by the Bureau of Economic Analysis (BEA), but are considered foreign entities in the U.S. national income and product accounts published by BEA and in financial statistics published by the Federal Reserve Board. Because these banks are treated as foreign entities by the Board, their deposit liabilities are not included in the U.S. monetary aggregates (measures of the national money supply published by the Federal Reserve System), and the institutions are not part of the U.S.-chartered commercial banks sector or the foreign banking offices sector in the flow of funds accounts.

Data on the sector come from reports filed with federal regulatory authorities. Commercial banks chartered in the U.S.-affiliated areas submit quarterly reports of condition on the same forms used by domestically chartered banks (FFIEC 031, FFIEC 032, FFIEC 033, or FFIEC 034, depending on the size of the institution and its ownership of foreign offices); branches of U.S. banks located in these areas submit the annual Foreign Branch Report of Condition (FFIEC 030).

At the end of 1997, the sector comprised fourteen banks chartered in other areas and twenty-six branches of U.S. banks.
### Table F.113

#### Banks in U.S.-Affiliated Areas (1)

**Billions of dollars**

<table>
<thead>
<tr>
<th></th>
<th>FA746330003</th>
<th>FA745013003</th>
<th>FA744090005</th>
<th>FA743020003</th>
<th>FA744002005</th>
<th>FA743061005</th>
<th>FA743061703</th>
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<th>FA743063005</th>
<th>FA743065103</th>
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<td>1</td>
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<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
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<tr>
<td>2</td>
<td>Fixed nonresidential investment</td>
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<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
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<tr>
<td>3</td>
<td>Net acquisition of financial assets</td>
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<td>1.7</td>
<td>3.7</td>
<td>5.9</td>
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<td>4</td>
<td>Checkable deposits and currency</td>
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<td>Credit market instruments</td>
<td>3.7</td>
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<td>3.7</td>
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<td>U.S. government securities</td>
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<td>-1.0</td>
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<td>Treasury</td>
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<td>8</td>
<td>Agency</td>
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<tr>
<td>9</td>
<td>Municipal securities</td>
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<td>-0.2</td>
<td>0.4</td>
<td>0.1</td>
<td>-0.1</td>
<td>-0.0</td>
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<td>Corporate and foreign bonds</td>
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<tr>
<td>11</td>
<td>Bank loans n.e.c.</td>
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<td>-0.5</td>
<td>1.7</td>
<td>1.8</td>
<td>1.4</td>
<td>0.9</td>
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<td>Home mortgages</td>
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<td>Commercial mortgages</td>
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<td>0.5</td>
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<td>Miscellaneous assets</td>
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<td>-0.4</td>
<td>-0.1</td>
<td>1.6</td>
<td>0.8</td>
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<td>14</td>
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<tr>
<td>15</td>
<td>Net increase in liabilities</td>
<td>2.5</td>
<td>1.3</td>
<td>3.5</td>
<td>5.5</td>
<td>1.4</td>
<td>5.1</td>
<td>15</td>
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<tr>
<td>16</td>
<td>Checkable deposits</td>
<td>0.6</td>
<td>0.3</td>
<td>0.1</td>
<td>0.2</td>
<td>0.5</td>
<td>0.4</td>
<td>16</td>
<td></td>
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<tr>
<td>17</td>
<td>Small time and savings deposits</td>
<td>0.4</td>
<td>-0.2</td>
<td>0.8</td>
<td>1.2</td>
<td>0.2</td>
<td>-0.0</td>
<td>17</td>
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<tr>
<td>18</td>
<td>Large time deposits</td>
<td>0.4</td>
<td>-0.2</td>
<td>0.8</td>
<td>1.2</td>
<td>0.2</td>
<td>-0.0</td>
<td>18</td>
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<tr>
<td>19</td>
<td>Miscellaneous liabilities</td>
<td>1.1</td>
<td>1.4</td>
<td>1.8</td>
<td>2.9</td>
<td>0.6</td>
<td>4.7</td>
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<tr>
<td>20</td>
<td>Discrepancy</td>
<td>-0.1</td>
<td>-0.5</td>
<td>-0.2</td>
<td>-0.4</td>
<td>0.1</td>
<td>-0.4</td>
<td>20</td>
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</table>

(1) Commercial banks and branches of U.S.-chartered commercial banks located in Puerto Rico, the U.S. Virgin Islands, American Samoa, Guam, and other U.S.-affiliated insular areas.
## F.113 Banks in U.S.-Affiliated Areas

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gross saving of banks in U.S.-affiliated areas, equal to their consumption of fixed nonresidential capital, with nonresidential structures and equipment valued at current cost</td>
<td>746330003</td>
<td>.1</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (M1NFI611EQ00), insurance carriers (M1NFI631EQ00), and holding and other investment offices (M1NFI671EQ00); plus Structures for commercial and mutual depository institutions (M1NFI6B1ST00), nondepository institutions (M1NFI611ST00), insurance carriers (M1NFI631ST00), and holding and other investment offices (M1NFI671ST00). The sum is multiplied by the ratio of consumption of fixed nonresidential equipment capital by commercial and mutual depository institutions to consumption of fixed nonresidential equipment capital by the commercial and mutual depository institutions for the equipment component of the total, and by the ratio of consumption of fixed nonresidential structures capital to consumption of fixed nonresidential structures capital by the structures component; both are multiplied by the ratio of tangible assets reported by banks in U.S.-affiliated areas to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships.</td>
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### Table E113

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tr>
<td>2. Fixed nonresidential investment by banks in U.S.-affiliated areas</td>
<td>745013003</td>
<td>.1</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NFL6B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NFL611EQ00), insurance carriers (I3NFL631EQ00), and holding and other investment offices (I3NFL671EQ00); plus Structures for commercial and mutual depository institutions (I3NFL661ST00), nondepository institutions (I3NFL661ST00), insurance carriers (I3NFL631ST00), and holding and other investment offices (I3NFL671ST00). The sum is multiplied by the ratio of investment in equipment by commercial and mutual depository institutions to investment in equipment and nonresidential structures by commercial and mutual depository institutions for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets reported by banks in U.S.-affiliated areas to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers' durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>3. Net acquisition of financial assets by banks in U.S.-affiliated areas</td>
<td>744090005</td>
<td>5.5</td>
<td>Sum of lines 4, 5, and 14.</td>
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### F.113 Banks in U.S.-Affiliated Areas—Continued

<table>
<thead>
<tr>
<th>Component</th>
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<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tbody>
<tr>
<td>4. Change in checkable deposits and currency held by banks in U.S.-affiliated areas</td>
<td>743020003</td>
<td>-.1</td>
<td>For banks located in U.S.-affiliated areas, quarterly level from Report of Condition, schedule RC, Cash and balances due from depository institutions (sum of series RCFD0081 and RCFD0071); and for branches of U.S. banks located in U.S.-affiliated areas, year-end level from Foreign Branch Report of Condition, sum of Cash and cash items in the process of collection (RCFN0022), Balances due from U.S. banks (including IBFs and foreign branches of U.S. banks) other than U.S. parent (RCFN0033), and Balances due from foreign banks (RCFN0034). Data for branches are annual and are converted to quarterly using data for banks in U.S.-affiliated areas. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>5. Change in credit market assets of banks in U.S.-affiliated areas</td>
<td>744002005</td>
<td>3.7</td>
<td>Sum of lines 6, 9, 10, 11, 12, and 13.</td>
</tr>
<tr>
<td>6. Change in U.S. government securities held by banks in U.S.-affiliated areas</td>
<td>743061005</td>
<td>2.1</td>
<td>Sum of lines 7 and 8.</td>
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<tr>
<td>7. Change in U.S. Treasury securities held by banks in U.S.-affiliated areas</td>
<td>743061103</td>
<td>.1</td>
<td>For banks located in U.S.-affiliated areas, quarterly level from Report of Condition, schedule RC-B, U.S. Treasury securities, sum of Held to maturity, Amortized cost (series RCFD0211), and Available for sale, Amortized cost (RCFD1286), plus schedule RC-D, U.S. Treasury securities in domestic offices (RCFD3531); and for branches of U.S. banks located in U.S.-affiliated areas, year-end level from Foreign Branch Report of Condition, Securities and obligations of U.S. government and states and political subdivisions in the U.S. (RCFN6597). Data for branches are annual and are converted to quarterly using data for banks in U.S.-affiliated areas. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
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<tr>
<td>--------------------------------------------------------------------------</td>
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<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
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<tr>
<td>8. Change in U.S. government agency securities held by banks in U.S.-affiliated areas</td>
<td>743061703</td>
<td>2.0</td>
<td>Level from Report of Condition for banks located in U.S.-affiliated areas, schedule RC-B, U.S. government agency obligations (exclude mortgage-backed securities), sum of Held to maturity, Amortized cost (series RCFD1289 and RCFD1294), and Available for sale, Amortized cost (RCFD1291 and RCFD1297); plus schedule RC-D, U.S. government agency obligations in domestic offices (exclude mortgage-backed securities) (RCON3532). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>9. Change in municipal securities held by banks in U.S.-affiliated areas</td>
<td>743062003</td>
<td>*</td>
<td>Level from quarterly Report of Condition for banks located in U.S.-affiliated areas, schedule RC-B, Securities issued by states and political subdivisions in the U.S., sum of Held to maturity, Amortized cost (series RCFD1676, RCFD1681, and RCFD1694), and Available for sale, Amortized cost (RCFD1678, RCFD1690, and RCFD1696); plus schedule RC-C, Obligations (other than securities and leases) of states and political subdivisions in the U.S. (includes nonrated industrial development obligations) (RCFD2107); and schedule RC-D, Securities issued by states and political subdivisions in the U.S. in domestic offices (RCON3533). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>10. Change in corporate and foreign bonds held by banks in U.S.-affiliated areas</td>
<td>743063005</td>
<td>.1</td>
<td>Line 10a less lines 6 and 9.</td>
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### F.113 Banks in U.S.-Affiliated Areas—Continued

<table>
<thead>
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<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tr>
<td>10a. Change in total securities held by banks in U.S.-affiliated areas</td>
<td>744004743</td>
<td>2.3</td>
<td>For banks located in U.S.-affiliated areas, quarterly level from Report of Condition, schedule RC, Securities (sum of series RCFD1754 and RCFD1773); and for branches of U.S. banks located in U.S.-affiliated areas, year-end level from Foreign Branch Report of Condition, Securities (net of any valuation reserve) (sum of RCFN6597 and RCFN0423). Data for branches are annual and are converted to quarterly using data for banks in U.S.-affiliated areas. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>11. Change in loans, not elsewhere classified, held by banks in U.S.-affiliated areas</td>
<td>743068105</td>
<td>.9</td>
<td>Line 11a less line 11b.</td>
</tr>
<tr>
<td>11a. Change in total loans and leases held by banks in U.S.-affiliated areas</td>
<td>743068743</td>
<td>1.4</td>
<td>For banks located in U.S.-affiliated areas, quarterly level from Report of Condition, schedule RC-C, Total loans and leases, net of unearned income (series RCFD2122); and for branches of U.S. banks located in U.S.-affiliated areas, year-end level from Foreign Branch Report of Condition, Total loans and leases, net (RCFN2122). Data for branches are annual and are converted to quarterly using data for banks in U.S.-affiliated areas. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>11b. Change in mortgages held by banks in U.S.-affiliated areas</td>
<td>743065003</td>
<td>.6</td>
<td>For banks located in U.S.-affiliated areas, quarterly level from Report of Condition, schedule RC-C, Loans secured by real estate (series RCFD1410); and for branches of U.S. banks located in U.S.-affiliated areas, year-end level from Foreign Branch Report of Condition, Loans secured by real estate (RCFN1410). Data for branches are annual and are converted to quarterly using data for banks in U.S.-affiliated areas. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
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<td>----------------------------------</td>
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<tr>
<td>12. Change in home mortgages held by banks in U.S.-affiliated areas</td>
<td>743065103</td>
<td>.1</td>
<td>For banks located in U.S.-affiliated areas, quarterly level from Report of Condition, schedule RC-C, Loans secured by one- to four-family residential properties (sum of series RCON1797, RCON5367, and RCON5368); and for branches of U.S. banks located in U.S.-affiliated areas, year-end level from Foreign Branch Report of Condition, Loans secured by real estate (RCFN1410). Data for branches are annual and are converted to quarterly using data for banks in U.S.-affiliated areas. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>13. Change in commercial mortgages held by banks in U.S.-affiliated areas</td>
<td>743065505</td>
<td>.5</td>
<td>Line 11b less line 12.</td>
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<tr>
<td>14. Change in unidentified miscellaneous assets of banks in U.S.-affiliated areas</td>
<td>743093005</td>
<td>1.8</td>
<td>Residual value calculated as line 14a less changes in identified assets (lines 4, 6, 9, 10, 11a, and 14b).</td>
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<tr>
<td>14a. Change in total assets reported by banks in U.S.-affiliated areas</td>
<td>744090743</td>
<td>5.5</td>
<td>For banks located in U.S.-affiliated areas, quarterly level from Report of Condition, schedule RC, Total assets (series RCFD2170); and for branches of U.S. banks located in U.S.-affiliated areas, year-end level from Foreign Branch Report of Condition, Total assets (RCFN2170). Data for branches are annual and are converted to quarterly using data for banks in U.S.-affiliated areas. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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</table>
### F.113 Banks in U.S.-Affiliated Areas—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>14b. Change in tangible assets of banks in U.S.-affiliated areas, at book value</td>
<td>745013103</td>
<td>*</td>
<td>For banks located in U.S.-affiliated areas, quarterly level from Report of Condition, schedule RC, Premises and fixed assets (including capitalized leases) (series RCFD2145); and for branches of U.S. banks located in U.S.-affiliated areas, year-end level from Foreign Branch Report of Condition, Premises and fixed assets (including capitalized leases) (RCFN2145). Data for branches are annual and are converted to quarterly using data for banks in U.S.-affiliated areas. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>15. Net increase in liabilities of banks in U.S.-affiliated areas</td>
<td>744190005</td>
<td>5.1</td>
<td>Sum of lines 16, 17, 18, and 19.</td>
</tr>
<tr>
<td>16. Change in checkable deposit liabilities of banks in U.S.-affiliated areas</td>
<td>743120003</td>
<td>.4</td>
<td>For banks located in U.S.-affiliated areas, quarterly level from Report of Condition, schedule RC-E, Total transaction accounts (series RCON2215); and for branches of U.S. banks located in U.S.-affiliated areas, year-end level from Foreign Branch Report of Condition, sum of Deposits of U.S. banks (including IBFs and foreign branches of U.S. banks) (RCFN2623), Deposits of foreign banks (including U.S. branches and agencies of foreign banks and their IBFs) (RCFN2625), and Other deposits (RCFN2238), multiplied by the ratio of checkable deposits to total deposits for banks in U.S.-affiliated areas. Data for branches are annual and are converted to quarterly using data for banks in U.S.-affiliated areas. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>17. Change in small time and savings deposit liabilities of banks in U.S.-affiliated areas</td>
<td>743131005</td>
<td>*</td>
<td>Estimated as 50 percent of line 17a.</td>
</tr>
</tbody>
</table>
### Component Code (billions of dollars)

| 17a. Change in time deposit liabilities of banks in U.S.-affiliated areas | 743130003 | * | For banks located in U.S.-affiliated areas, quarterly level from Report of Condition, schedule RC-E, Total nontransaction accounts (including MMDAs), Total (series RCON2385); and for branches of U.S. banks located in U.S.-affiliated areas, year-end level from Foreign Branch Report of Condition, sum of Deposits of U.S. banks (including IBFs and foreign branches of U.S. banks) (RCFN2623), Deposits of foreign banks (including U.S. branches and agencies of foreign banks and their IBFs) (RCFN2625), and Other deposits (RCFN2238), less portion of deposits allocated to checkable category and included in FOF series 743120003 (line 16 above). Data for foreign branches are annual and are converted to quarterly using data for banks in U.S.-affiliated areas. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. |
| 18. Change in large time deposit liabilities of banks in U.S.-affiliated areas | 743135005 | * | Estimated as 50 percent of line 17a. |
| 19. Change in unidentified miscellaneous liabilities of banks in U.S.-affiliated areas | 743193005 | 4.7 | Residual value calculated as change in reported liabilities and net worth (equal to change in reported total assets, line 14a) less changes in identified liabilities and net worth (lines 16, 17a, and 19a). |
| 19a. Change in net worth reported by banks in U.S.-affiliated areas | 745080003 | .4 | Level from quarterly Report of Condition for banks located in U.S.-affiliated areas, schedule RC, Total equity capital (series RCFD3210). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. |
| 20. Discrepancy for banks in U.S.-affiliated areas, equal to gross saving less gross investment | 747005005 | −.4 | Sum of lines 1 and 15, less lines 2 and 3. The discrepancy is a use of funds in the FOF accounts. |
Table F.114  Savings Institutions

Savings institutions are financial intermediaries that raise funds mainly through time and checkable deposits and use the funds to provide loans, principally home mortgages, and to invest in securities. The savings institutions sector in the flow of funds accounts is made up of savings and loan associations, mutual savings banks, federal savings banks, and Massachusetts cooperative banks.

In function, savings institutions are similar to commercial banks, and in recent years the distinction between commercial banks and savings institutions has become blurred as the financial services industry has become more homogeneous. In the past, savings institutions were legally required to engage primarily in home mortgage finance, and even though they now may hold other types of assets, their traditional emphasis continues to be a major difference between savings institutions and commercial banks. Mortgages make up close to 70 percent of the credit market instruments that savings institutions hold.

Many savings institutions, particularly savings and loan associations, encountered financial difficulties beginning in the late 1980s. The federal government undertook a large-scale bailout of the industry, and many of the institutions disappeared through merger or failure. The industry is now considerably smaller than it had been; the sector’s total financial assets were $1.029 billion at the end of 1997, down from a peak of $1.640 billion at the end of 1988.

Information about savings institutions comes from two main sources: Institutions that are regulated by the Federal Deposit Insurance Corporation (FDIC) file quarterly reports of condition similar to those submitted by commercial banks, and institutions regulated by the Office of Thrift Supervision (OTS) submit quarterly Thrift Financial Reports. A total of 564 institutions, including 81 Massachusetts cooperative banks, report to the FDIC; more than 1,200 institutions report to the OTS. The deposit liabilities of the institutions are components of the monetary aggregates (measures of the U.S. money supply published by the Federal Reserve System).
### Table F114

**Savings Institutions (1)**

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<thead>
<tr>
<th></th>
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<tr>
<td>1</td>
<td>FA446000105 Gross saving</td>
<td>13.7</td>
<td>4.9</td>
<td>5.1</td>
<td>4.6</td>
<td>-1.4</td>
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<tr>
<td>2</td>
<td>FA445013003 Fixed nonresidential investment</td>
<td>6.4</td>
<td>4.3</td>
<td>3.4</td>
<td>2.7</td>
<td>2.7</td>
</tr>
<tr>
<td>3</td>
<td>FA444090005 Net acquisition of financial assets</td>
<td>-85.1</td>
<td>-39.9</td>
<td>-11.1</td>
<td>0.9</td>
<td>16.1</td>
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<tr>
<td>4</td>
<td>FA443013053 Reserves at Federal Reserve</td>
<td>0.1</td>
<td>0.4</td>
<td>-0.6</td>
<td>-0.1</td>
<td>-0.5</td>
</tr>
<tr>
<td>5</td>
<td>FA443020005 Checkable deposits and currency</td>
<td>-0.6</td>
<td>3.1</td>
<td>-1.5</td>
<td>1.6</td>
<td>-1.3</td>
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<tr>
<td>6</td>
<td>FA443030005 Time and savings deposits</td>
<td>-1.3</td>
<td>-0.7</td>
<td>-1.8</td>
<td>-0.2</td>
<td>0.3</td>
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<tr>
<td>7</td>
<td>FA442050005 Federal funds and security RPs</td>
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<td>-3.9</td>
<td>-4.1</td>
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<tr>
<td>8</td>
<td>FA444040005 Credit market instruments</td>
<td>-79.0</td>
<td>-23.3</td>
<td>6.7</td>
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<td>19.9</td>
</tr>
<tr>
<td>9</td>
<td>FA443069105 Open market paper</td>
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<td>-0.3</td>
<td>-0.2</td>
<td>0.0</td>
<td>0.1</td>
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<tr>
<td>10</td>
<td>FA443061005 U.S. government securities</td>
<td>7.0</td>
<td>-1.5</td>
<td>11.5</td>
<td>-4.1</td>
<td>-9.5</td>
</tr>
<tr>
<td>11</td>
<td>FA443061105 Treasury</td>
<td>9.0</td>
<td>-5.7</td>
<td>-1.1</td>
<td>-8.7</td>
<td>-1.0</td>
</tr>
<tr>
<td>12</td>
<td>FA443061705 Agency</td>
<td>-2.0</td>
<td>4.2</td>
<td>12.6</td>
<td>4.7</td>
<td>-8.5</td>
</tr>
<tr>
<td>13</td>
<td>FA443062005 Municipal securities</td>
<td>-0.4</td>
<td>0.1</td>
<td>-0.1</td>
<td>-0.0</td>
<td>0.1</td>
</tr>
<tr>
<td>14</td>
<td>FA443063005 Corporate and foreign bonds</td>
<td>7.3</td>
<td>9.1</td>
<td>2.4</td>
<td>-8.2</td>
<td>-9.9</td>
</tr>
<tr>
<td>15</td>
<td>FA443069505 Other loans and advances</td>
<td>-10.1</td>
<td>-1.6</td>
<td>0.5</td>
<td>2.5</td>
<td>3.0</td>
</tr>
<tr>
<td>16</td>
<td>FA443065005 Mortgages</td>
<td>-77.4</td>
<td>-29.5</td>
<td>-2.2</td>
<td>0.6</td>
<td>31.6</td>
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<tr>
<td>17</td>
<td>FA443066005 Consumer credit</td>
<td>-4.8</td>
<td>0.5</td>
<td>0.6</td>
<td>1.6</td>
<td>4.6</td>
</tr>
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<td>18</td>
<td>FA443064005 Corporate equities</td>
<td>0.3</td>
<td>1.7</td>
<td>-1.8</td>
<td>0.7</td>
<td>0.6</td>
</tr>
<tr>
<td>19</td>
<td>FA443090005 Miscellaneous assets</td>
<td>-4.1</td>
<td>-1.7</td>
<td>-8.1</td>
<td>1.7</td>
<td>-1.8</td>
</tr>
<tr>
<td>20</td>
<td>FA444090005 Net increase in liabilities</td>
<td>-92.1</td>
<td>-51.8</td>
<td>-17.8</td>
<td>-3.2</td>
<td>15.4</td>
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<tr>
<td>21</td>
<td>FA443139005 Deposits</td>
<td>-84.7</td>
<td>-67.4</td>
<td>-51.8</td>
<td>-5.7</td>
<td>-5.5</td>
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<td>22</td>
<td>FA443127005 Checkable</td>
<td>-1.4</td>
<td>4.4</td>
<td>-5.4</td>
<td>14.1</td>
<td>25.4</td>
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<tr>
<td>23</td>
<td>FA443131005 Small time and savings</td>
<td>-75.4</td>
<td>-68.2</td>
<td>-44.4</td>
<td>-29.0</td>
<td>-38.1</td>
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<tr>
<td>24</td>
<td>FA443133005 Large time</td>
<td>-7.9</td>
<td>-3.6</td>
<td>-2.1</td>
<td>9.2</td>
<td>6.3</td>
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<tr>
<td>25</td>
<td>FA442150005 Security RPs</td>
<td>-1.0</td>
<td>7.5</td>
<td>18.4</td>
<td>-0.0</td>
<td>-0.9</td>
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<tr>
<td>26</td>
<td>FA444100005 Credit market instruments</td>
<td>-7.0</td>
<td>11.3</td>
<td>12.8</td>
<td>2.6</td>
<td>25.5</td>
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<tr>
<td>27</td>
<td>FA443163005 Corporate bonds</td>
<td>-3.2</td>
<td>-1.5</td>
<td>-0.8</td>
<td>-0.0</td>
<td>0.4</td>
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<td>28</td>
<td>FA443166005 Bank loans n.e.c.</td>
<td>-0.0</td>
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<td>0.9</td>
<td>5.2</td>
<td>1.4</td>
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<tr>
<td>29</td>
<td>FA443169505 Other loans and advances</td>
<td>-3.8</td>
<td>13.3</td>
<td>12.7</td>
<td>-2.6</td>
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<td>30</td>
<td>FA443178005 Taxes payable</td>
<td>0.2</td>
<td>0.6</td>
<td>-0.9</td>
<td>0.5</td>
<td>-0.1</td>
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<tr>
<td>31</td>
<td>FA443190005 Miscellaneous liabilities</td>
<td>0.4</td>
<td>-3.8</td>
<td>3.7</td>
<td>-0.6</td>
<td>-2.5</td>
</tr>
<tr>
<td>32</td>
<td>FA443194705 Investment by parent</td>
<td>-1.0</td>
<td>0.4</td>
<td>-0.0</td>
<td>0.1</td>
<td>0.2</td>
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<tr>
<td>33</td>
<td>FA443190005 Other</td>
<td>1.4</td>
<td>-4.2</td>
<td>3.7</td>
<td>-0.7</td>
<td>-2.7</td>
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<td>34</td>
<td>FA447000005 Discrepancy</td>
<td>0.3</td>
<td>-11.3</td>
<td>-5.0</td>
<td>-2.2</td>
<td>-4.7</td>
</tr>
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</table>

(1) Savings and loan associations, mutual savings banks, and federal savings banks.
## F.114  Savings Institutions

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>1. <strong>Gross saving of savings institutions</strong></td>
<td>446000105</td>
<td>2.0</td>
<td>Sum of lines 1a and 1b.</td>
</tr>
<tr>
<td>1a. Undistributed profits of savings institutions</td>
<td>446006003</td>
<td>−.7</td>
<td>Seasonally adjusted flow from special tabulation of undistributed profits of savings institutions provided once a year by BEA. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tbody>
<tr>
<td>1b. Consumption of fixed nonresidential capital by savings institutions, with nonresidential structures and equipment valued at current cost</td>
<td>446330003</td>
<td>2.7</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NF16B1EQ00; revisions and updates provided by BEA), nondepository institutions (M1NF1611EQ00), insurance carriers (M1NF1631EQ00), and holding and other investment offices (M1NF1671EQ00); plus Structures for commercial and mutual depository institutions (M1NF16B1ST00), nondepository institutions (M1NF1611ST00), insurance carriers (M1NF1631ST00), and holding and other investment offices (M1NF1671ST00). The sum is multiplied by the ratio of consumption of fixed nonresidential equipment capital by commercial and mutual depository institutions to consumption of fixed nonresidential equipment and structures capital by commercial and mutual depository institutions for the equipment component of the total, and by the ratio of consumption of fixed nonresidential structures capital to consumption of fixed nonresidential equipment and structures capital for the structures component; both are multiplied by the ratio of tangible assets reported by savings institutions to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships.</td>
</tr>
<tr>
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<td>Explanation</td>
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</tr>
<tr>
<td>2. Fixed nonresidential investment by savings institutions</td>
<td>445013003</td>
<td>2.5</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NFI611EQ00), insurance carriers (I3NFI631EQ00), and holding and other investment offices (I3NFI671EQ00); plus Structures for commercial and mutual depository institutions (I3NFI6B1ST00), nondepository institutions (I3NFI611ST00), insurance carriers (I3NFI631ST00), and holding and other investment offices (I3NFI671ST00). The sum is multiplied by the ratio of investment in equipment by commercial and mutual depository institutions to investment in equipment and nonresidential structures by commercial and mutual depository institutions for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets reported by savings institutions to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>3. Net acquisition of financial assets by savings institutions</td>
<td>444090005</td>
<td>(-8.4)</td>
<td>Sum of lines 4, 5, 6, 7, 8, 18, and 19.</td>
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### Table F.114—Continued

<table>
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<tr>
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<tbody>
<tr>
<td><strong>4. Change in reserve deposits held by savings institutions at Federal Reserve Banks (monetary authority sector)</strong></td>
<td>443013053</td>
<td>-.5</td>
<td>Level from FR Board, internal Money File, Savings institutions’ reserves at FR Banks (series 1383). Series is based on depository institution data collected periodically; data are monthly averages. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td><strong>5. Change in checkable deposits and currency held by savings institutions</strong></td>
<td>443020005</td>
<td>1.0</td>
<td>Sum of lines 5a and 5b, less line 4.</td>
</tr>
<tr>
<td><strong>5a. Change in checkable deposits and currency held by savings institutions that submit reports of condition to the Office of Thrift Supervision</strong></td>
<td>443020053</td>
<td>.2</td>
<td>Level from Thrift Financial Report, schedule SC, Cash and non-interest-earning deposits (series SVGL0626). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td><strong>5b. Change in checkable deposits and currency held by savings institutions that submit reports of condition to the Federal Deposit Insurance Corporation</strong></td>
<td>443020063</td>
<td>.4</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC, Cash and balances due from depository institutions (sum of series RCON0081 and RCON0071); plus schedule RC-D, Certificates of deposit in domestic offices (RCON3538). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td><strong>6. Change in time and savings deposits held by savings institutions that submit reports of condition to the Office of Thrift Supervision</strong></td>
<td>443030053</td>
<td>-.4</td>
<td>Level from Thrift Financial Report, schedule SC, Other interest-earning deposits (series SVGL0438). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td><strong>7. Change in outstanding federal funds sold by savings institutions and in outstanding loans held by them under security repurchase agreements</strong></td>
<td>442050005</td>
<td>-.8</td>
<td>Sum of lines 7a and 7b.</td>
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</table>
### F.114 Savings Institutions—Continued

<table>
<thead>
<tr>
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<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tr>
<td>7a. Change in outstanding federal funds sold by savings institutions that</td>
<td>442050053</td>
<td>.9</td>
<td>Level from Thrift Financial Report, schedule SC, Federal funds sold (series SVGL0439). Includes some overnight deposits held at FHLBs. Beginning 1990:Q1, as the result of a change in the reporting form, the series does not include securities and deposits held subject to repurchase agreements; they are now included with corporate bonds. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>submit reports of condition to the Office of Thrift Supervision and in</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>outstanding loans held by them under security repurchase agreements</td>
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</tr>
<tr>
<td>7b. Change in outstanding federal funds sold by savings institutions that</td>
<td>442050063</td>
<td>−1.7</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC, Federal funds sold and securities purchased under agreements to resell (series RCON1350). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>submit reports of condition to the Federal Deposit Insurance Corporation</td>
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<td></td>
</tr>
<tr>
<td>and in outstanding loans held by them under security repurchase agreements</td>
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<td></td>
</tr>
<tr>
<td>8. Change in credit market assets of savings institutions</td>
<td>444004005</td>
<td>−4.7</td>
<td>Sum of lines 9, 10, 13, 14, 15, 16, and 17.</td>
</tr>
<tr>
<td>9. Change in open market paper held by savings institutions</td>
<td>443069105</td>
<td>−.3</td>
<td>Sum of lines 9a and 9b.</td>
</tr>
<tr>
<td>9a. Change in open market paper held by savings institutions that submit</td>
<td>443069153</td>
<td>.0</td>
<td>Level from Thrift Financial Report for periods before 1990:Q1; beginning with that quarter the data are not shown separately and are included with corporate bonds in the report. Unadjusted flow is the change in the level. Quarterly values for the series are zero for both levels and flows beginning 1990:Q1; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>reports of condition to the Office of Thrift Supervision</td>
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<tr>
<td>9b. Change in open market paper held by savings institutions that submit</td>
<td>443069163</td>
<td>−.3</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC-C, sum of Acceptances of other banks—U.S. banks (series RCON1756) and Acceptances of other banks—foreign banks (RCON1757). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>reports of condition to the Federal Deposit Insurance Corporation</td>
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</table>
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<tbody>
<tr>
<td>10. Change in U.S. government securities held by savings institutions</td>
<td>443061005</td>
<td>-3.6</td>
<td>Sum of lines 11 and 12.</td>
</tr>
<tr>
<td>11. Change in U.S. Treasury securities held by savings institutions</td>
<td>443061105</td>
<td>-2.8</td>
<td>Sum of lines 11a and 11b.</td>
</tr>
<tr>
<td>11a. Change in U.S. Treasury securities held by savings institutions that</td>
<td>443061153</td>
<td>.4</td>
<td>Level estimated as 30 percent of Thrift Financial Report, schedule SC, U.S. government and agency securities (series SVGLA299). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>submit reports of condition to the Office of Thrift Supervision</td>
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<tr>
<td>11b. Change in U.S. Treasury securities held by savings institutions that</td>
<td>443061163</td>
<td>-3.3</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC-B, U.S. Treasury securities, sum of Held to maturity, Amortized cost (series RCON0211), and Available for sale, Amortized cost (RCON1286); plus schedule RC-D, U.S. Treasury securities in domestic offices (RCON3531). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>submit reports of condition to the Federal Deposit Insurance Corporation</td>
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<tr>
<td>12. Change in U.S. government agency securities held by savings institutions</td>
<td>443061705</td>
<td>-0.8</td>
<td>Sum of lines 12a, 12b, 12c, and 12d.</td>
</tr>
<tr>
<td>12a. Change in U.S. government agency securities held by savings institutions that submit reports of condition to the Office of Thrift Supervision</td>
<td>443061753</td>
<td>1.0</td>
<td>Level estimated as 70 percent of Thrift Financial Report, schedule SC, U.S. government and agency securities (series SVGLA299). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
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<td>-------------------------------------------------------------------------</td>
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</tr>
<tr>
<td>12b. Change in U.S. government agency securities held by savings institutions that submit reports of condition to the Federal Deposit Insurance Corporation</td>
<td>443061763</td>
<td>1.9</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC-B, U.S. government agency obligations (exclude mortgage-backed securities), sum of Issued by U.S. government agencies, Held to maturity, Amortized cost (series RCON1289), and Available for sale, Amortized cost (RCON1291); and Issued by U.S. government-sponsored agencies, Held to maturity, Amortized cost (RCON1294), and Available for sale, Amortized cost (RCON1297); plus schedule RC-D, U.S. government agency obligations in domestic offices (exclude mortgage-backed securities) (RCON3532). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>12c. Change in federally related mortgage pool securities held by savings institutions that submit reports of condition to the Office of Thrift Supervision</td>
<td>443061853</td>
<td>-1.4</td>
<td>Level from Thrift Financial Report, schedule SC, Mortgage pool securities insured or guaranteed by an agency or instrument of the U.S. (series SVGL3598). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
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<tr>
<td>12d. Change in federally related mortgage pool securities held by savings institutions that submit reports of condition to the Federal Deposit Insurance Corporation</td>
<td>443061863</td>
<td>-2.3</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC-B, Mortgage-backed securities (MBS), Pass-through securities, sum of Guaranteed by GNMA, Held to maturity, Amortized cost (series RCON1698), and Available for sale, Amortized cost (RCON1701); and Issued by FNMA and FHLMC, sum of Held to maturity, Amortized cost (RCON1703), and Available for sale, Amortized cost (RCON1706); and Other mortgage-backed securities (include CMOs, REMICs, and stripped MBS), Issued or guaranteed by FNMA, FHLMC, or GNMA, sum of Held to maturity, Amortized cost (RCON1714), and Available for sale, Amortized cost (RCON1716); plus schedule RC-D, Mortgage-backed securities (MBS) in domestic offices, sum of Pass-through securities issued or guaranteed by FNMA, FHLMC, or GNMA (RCON3534), and Other mortgage-backed securities issued or guaranteed by FNMA, FHLMC, or GNMA (include CMOs, REMICs, and stripped MBS) (RCON3535). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>13. Change in municipal securities held by savings institutions</td>
<td>443062005</td>
<td>*</td>
<td>Sum of lines 13a and 13b.</td>
</tr>
<tr>
<td>13a. Change in municipal securities held by savings institutions that submit reports of condition to the Office of Thrift Supervision</td>
<td>443062053</td>
<td>.1</td>
<td>Level from Thrift Financial Report, schedule SC, State and municipal obligations (series SVGL0440). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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F.114  Savings Institutions—Continued

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<tbody>
<tr>
<td>13b. Change in municipal securities held by savings institutions that submit reports of condition to the Federal Deposit Insurance Corporation</td>
<td>443062063</td>
<td>*</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC-B, Securities issued by states and political subdivisions in the U.S., sum of General obligations, Held to maturity, Amortized cost (series RCON1676), and Available for sale, Amortized cost (RCON1678); Revenue obligations, Held to maturity, Amortized cost (RCON1681), and Available for sale, Amortized cost (RCON1690); and Industrial development and similar obligations, Held to maturity, Amortized cost (RCON1694), and Available for sale, Amortized cost (RCON1696); plus schedule RC-C, Obligations (other than securities and leases) of states and political subdivisions in the U.S. (includes nonrated industrial development obligations) (RCON2107); plus schedule RC-D, Securities issued by states and political subdivisions in the U.S. in domestic offices (RCON3533). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>14. Change in corporate and foreign bonds held by savings institutions</td>
<td>443063005</td>
<td>−9.9</td>
<td>Sum of lines 14a, 14b, 14c, and 14d, less lines 5a, 6, 7a, 9a, 11a, 12a, 13a, and 14e.</td>
</tr>
<tr>
<td>14a. Change in cash, deposits, and investments held by savings institutions that submit reports of condition to the Office of Thrift Supervision</td>
<td>444001053</td>
<td>−1.6</td>
<td>Level from Thrift Financial Report, schedule SC, Cash, deposits, and investment securities (series SVGL0658). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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</table>
### Table F.114—Continued

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<tbody>
<tr>
<td>14b. Change in corporate and foreign bonds held by savings institutions</td>
<td>443063063</td>
<td>−.2</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC-B, Other mortgage-backed securities (include CMOs, REMICs, and stripped MBS) collateralized by MBS issued or guaranteed by FNMA, FHLMC, or GNMA, sum of Held to maturity, Amortized cost (series RCON1718), and Available for sale, Amortized cost (RCON1731); and All other mortgage-backed securities, sum of Held to maturity, Amortized cost (RCON1733), and Available for sale, Amortized cost (RCON1735); plus Other domestic debt securities, sum of Held to maturity, Amortized cost (RCON1737), and Available for sale, Amortized cost (RCON1739); plus Foreign debt securities, sum of Held to maturity, Amortized cost (RCON1742), and Available for sale, Amortized cost (RCON1744); plus schedule RC-D, Other debt securities in domestic offices (RCON3537). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>14c. Change in private mortgage pool securities held by savings institutions</td>
<td>443065753</td>
<td>−5.6</td>
<td>Level from Thrift Financial Report, schedule SC, Other mortgage pool securities (series SVGL3599). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>14d. Change in private mortgage pool securities held by savings institutions</td>
<td>443065763</td>
<td>−.3</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC-B, Mortgage-backed securities (MBS), Pass-through securities, Other pass-through securities, sum of Held to maturity, Amortized cost (series RCON1709), and Available for sale, Amortized cost (RCON1711). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### F.114  Savings Institutions—Continued

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<tbody>
<tr>
<td>14e. Change in liabilities of Federal Home Loan Banks</td>
<td>403191003</td>
<td>0.0</td>
<td>Level from FHLBs, Statements of Condition, column Combined, Total deposits. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>(government-sponsored enterprises sector) for deposits held by savings institutions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. Change in other loans and advances held by savings institutions</td>
<td>443069505</td>
<td>3.1</td>
<td>Sum of lines 15a and 15b.</td>
</tr>
<tr>
<td>15a. Change in business loans held by savings institutions that submit reports of condition to the Office of Thrift Supervision</td>
<td>443069553</td>
<td>2.1</td>
<td>Level from Thrift Financial Report, schedule SC, Commercial loans (series SVGL0655). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>15b. Change in business loans held by savings institutions that submit reports of condition to the Federal Deposit Insurance Corporation</td>
<td>443069563</td>
<td>1.0</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC-C, sum of Commercial and industrial loans to U.S. addressees (domicile) (series RCON1763) and to non-U.S. addressees (domicile) (RCON1764); Lease financing receivables (net of unearned income) (RCON2165); Loans to commercial banks in the U.S. (RCON1505), to other depository institutions in the U.S. (RCON1517), and to banks in foreign countries (RCON1510); Loans to finance agricultural production and other loans to farmers (RCON1590); Loans to foreign governments and official institutions (including foreign central banks) (RCON2081); and Loans for purchasing or carrying securities (secured and unsecured) (RCON1545) plus All other loans (exclude consumer loans) (RCON1564). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>16. Change in mortgages held by savings institutions</td>
<td>443065005</td>
<td>3.5</td>
<td>Sum of lines 16a, 16b, 16c, and 16d.</td>
</tr>
</tbody>
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Table F.114  

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<tr>
<td>16a. Change in home mortgages held by savings institutions</td>
<td>443065103</td>
<td>7.0</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC-C, sum of Real estate loans secured by one- to four-family residential properties (sum of series RCON1797, RCON5367, and RCON5368) and a portion of Construction and land development real estate loans (RCON1415); and from Thrift Financial Report for savings institutions that report to the OTS, schedule SC, sum of Construction loans on one- to four-family dwelling units (SVGL0131), Permanent mortgages on one- to four-family dwelling units (sum of SVGL2687 and SVGL2689), Consumer open-end revolving loans secured by one- to four-family dwelling units (SVGL2705), and a portion of Permanent mortgages on land (SVGL1534). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>16b. Change in multifamily residential mortgages held by savings institutions</td>
<td>443065403</td>
<td>-2.0</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC-C, sum of Real estate loans secured by multifamily (five or more) residential properties (series RCON1460) and a portion of Construction and land development real estate loans (RCON1415); and from Thrift Financial Report for savings institutions that report to the OTS, schedule SC, sum of Construction loans on residences of five or more dwelling units (SVGL0109), Permanent mortgages on residences of five or more dwelling units (SVGL0113), and a portion of Permanent mortgages on land (SVGL1534). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>16c. Change in commercial mortgages held by savings institutions</td>
<td>443065503</td>
<td>-1.5</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC-C, sum of Real estate loans secured by nonfarm nonresidential properties (series RCON1480) and a portion of Construction and land development real estate loans (RCON1415); and from Thrift Financial Report for savings institutions that report to the OTS, schedule SC, sum of Construction loans on nonresidential property (SVGL0133), Permanent mortgages on nonresidential property (except land) (SVGL0136), and a portion of Permanent mortgages on land (SVGL1534). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>16d. Change in farm mortgages held by savings institutions</td>
<td>443065603</td>
<td>*</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC-C, sum of Real estate loans secured by farm land (including farm residential and other improvements) (series RCON1420) and a portion of Construction and land development real estate loans (RCON1415); and from Thrift Financial Report for savings institutions that report to the OTS, schedule SC, a portion of Permanent mortgages on land (SVGL1534). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>17. Change in consumer credit held by savings institutions</td>
<td>443066003</td>
<td>2.5</td>
<td>Level from FR Board, Financial Institutions Section, monthly G.19 statistical release, Consumer Credit, table Consumer Credit Outstanding, Not seasonally adjusted, Major holders, Savings institutions. Excludes securitized consumer credit. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tbody>
<tr>
<td>18. Net purchases of corporate equities by savings institutions (level for this series is at market value)</td>
<td>443064075</td>
<td>.2</td>
<td>Sum of lines 18a and 18b. In FOF tables of values of assets outstanding held by savings institutions, the level of corporate equities is the sum of the levels for lines 18a and 18b revalued to market prices using 1 plus the percentage change (expressed in decimal form) in the NYSE Composite Index of Common Stock Prices.</td>
</tr>
<tr>
<td>18a. Net purchases of corporate equities by savings institutions that submit reports of condition to the Office of Thrift Supervision (level for this series is at book value)</td>
<td>443064053</td>
<td>.1</td>
<td>Level at book value from Thrift Financial Report, schedule SC, Equity securities except FHLB stock (series SVGL0621). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>18b. Net purchases of corporate equities by savings institutions that submit reports of condition to the Federal Deposit Insurance Corporation (level for this series is at book value)</td>
<td>443064063</td>
<td>*</td>
<td>Level at book value from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC-B, sum of Investments in mutual funds and other equity securities with readily determinable fair values, Available for sale, Amortized cost (series RCONA510), and All other equity securities, Available for sale, Amortized cost (RCON1752). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>19. Change in total miscellaneous assets of savings institutions</td>
<td>443090005</td>
<td>−3.2</td>
<td>Sum of line 14e, change in equity of savings institutions in government-sponsored enterprises (line 19a net of lines 19b, 19c, and 19d), and change in unidentified miscellaneous assets. Change in unidentified miscellaneous assets is a residual value calculated as the sum of lines 19e and 19f less changes in identified assets (lines 5b, 7b, 9b, 11b, 12b, 12c, 12d, 13b, 14a, 14b, 14c, 14d, 15, 16, 17, 18, 19g, 19h, 19i, and 19j, and change in equity of savings institutions in government-sponsored enterprises).</td>
</tr>
<tr>
<td>19a. Change in equity in Federal Home Loan Banks (government-sponsored enterprises sector)</td>
<td>403192403</td>
<td>1.8</td>
<td>Level from FHLBs, Statements of Condition, column Combined, Capital stock outstanding. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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## F.114 Savings Institutions—Continued

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<tr>
<td>19b.</td>
<td>723092403</td>
<td>1.3</td>
<td>Level from Federal Housing Finance Board, FHLB System Membership Report, table Capital Stock Outstanding by Member Type, Commercial banks, Total capital stock. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Data for this series are provided to the FR Board on the Federal Housing Finance Board’s Electronic Bulletin Board.</td>
</tr>
<tr>
<td>19c.</td>
<td>473092403</td>
<td>*</td>
<td>Level from Federal Housing Finance Board, FHLB System Membership Report, table Capital Stock Outstanding by Member Type, Credit unions, Total capital stock. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>19d.</td>
<td>543092403</td>
<td>*</td>
<td>Level from Federal Housing Finance Board, FHLB System Membership Report, table Capital Stock Outstanding by Member Type, Insurance companies, Total capital stock. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Data for this series are provided to the FR Board on the Federal Housing Finance Board’s Electronic Bulletin Board.</td>
</tr>
<tr>
<td>19e.</td>
<td>444090053</td>
<td>1.0</td>
<td>Level from Thrift Financial Report, schedule SC, Total assets (series SVGL2170). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Component</td>
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<td>Explanation</td>
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</tr>
<tr>
<td>19f. Change in total assets reported by savings institutions that submit</td>
<td>444090063</td>
<td>-10.5</td>
<td>Level from quarterly Report of Condition for saving institutions that report to the FDIC, schedule RC, Total assets (series RCON2170); less Total securities, Available for sale. Fair value (RCON1773); plus Total securities, Available for sale. Amortized cost (RCON1772). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>reports of condition to the Federal Deposit Insurance Corporation</td>
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<tr>
<td>19g. Change in premises and fixed assets, at book value, of savings</td>
<td>445013453</td>
<td>-.2</td>
<td>Level from Thrift Financial Report, schedule SC, Office premises and equipment (series SVGL0618). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>institutions that submit reports of condition to the Office of Thrift</td>
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<tr>
<td>Supervision</td>
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<tr>
<td>19h. Change in premises and fixed assets, at book value, of savings</td>
<td>445013463</td>
<td>-.1</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC, Premises and fixed assets (including capitalized leases) (series RCON2145). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>institutions that submit reports of condition to the Federal Deposit</td>
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<tr>
<td>Insurance Corporation</td>
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<tr>
<td>19i. Change in real estate acquired by repossession or held for investment</td>
<td>445013553</td>
<td>-.7</td>
<td>Level from Thrift Financial Report, schedule SC, sum of Repossessed real estate (series SVGL0456) and Real estate held for investment (SVGL0461). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>by savings institutions that submit reports of condition to the Office of</td>
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<tr>
<td>Thrift Supervision</td>
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<tr>
<td>19j. Change in real estate acquired by repossession or held for investment</td>
<td>445013563</td>
<td>*</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC. Other real estate owned (series RCON2150). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>by savings institutions that submit reports of condition to the Federal</td>
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<tr>
<td>Deposit Insurance Corporation</td>
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</tr>
<tr>
<td>20. Net increase in liabilities of savings institutions</td>
<td>444190005</td>
<td>-9.5</td>
<td>Sum of lines 21, 25, 26, 30, and 31.</td>
</tr>
</tbody>
</table>
F.114 Savings Institutions—Continued

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<tr>
<td>21. Change in deposit liabilities of savings institutions</td>
<td>443139005</td>
<td>-25.7</td>
<td>Sum of lines 22, 23, and 24.</td>
</tr>
<tr>
<td>22. Change in checkable deposit liabilities of savings institutions</td>
<td>443127005</td>
<td>27.1</td>
<td>Sum of lines 22a and 22b.</td>
</tr>
<tr>
<td>22a. Change in checkable deposit liabilities of savings institutions that submit reports of condition to the Office of Thrift Supervision</td>
<td>443127053</td>
<td>29.8</td>
<td>Level estimated by FOF Section as the level of total deposits of savings institutions that report to OTS (FOF series 443139053, line 23a below) net of their large time deposit liabilities (443135053, line 24a below), multiplied by the ratio of the level of checkable deposit liabilities of savings institutions that report to the FDIC (443127063, line 22b below) to the level of the latter institutions’ total deposits (443139063, line 23b below) net of their large time deposits (443135063, line 24b below). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>22b. Change in checkable deposit liabilities of savings institutions that submit reports of condition to the Federal Deposit Insurance Corporation</td>
<td>443127063</td>
<td>-2.7</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC-E, Deposits in domestic offices, Total transaction accounts, total (series RCON2215). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>23. Change in small time and savings deposit liabilities of savings institutions</td>
<td>443131005</td>
<td>-64.4</td>
<td>Sum of lines 23a, 23b, and 23c, less lines 22 and 24.</td>
</tr>
<tr>
<td>23a. Change in deposit liabilities of savings institutions that submit reports of condition to the Office of Thrift Supervision</td>
<td>443139053</td>
<td>-11.5</td>
<td>Level from Thrift Financial Report, schedule SC, Deposits (series SVGL2339). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>23b. Change in deposit liabilities of savings institutions that submit reports of condition to the Federal Deposit Insurance Corporation</td>
<td>443139063</td>
<td>-14.2</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC, Deposits in domestic offices (series RCON2200). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>23c. Change in retail repurchase agreement liabilities of savings institutions</td>
<td>443139703</td>
<td>0</td>
<td>Level from FR Board, internal Money File, Retail repurchase agreements due from savings institutions (series 381). Series is based on depository institution data collected periodically; data are monthly averages. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>24. Change in large time deposit liabilities of savings institutions</td>
<td>443135005</td>
<td>11.7</td>
<td>Sum of lines 24a and 24b.</td>
</tr>
<tr>
<td>24a. Change in large time deposit liabilities of savings institutions that submit reports of condition to the Office of Thrift Supervision</td>
<td>443135053</td>
<td>10.4</td>
<td>Level from Thrift Financial Report, schedule SI, Deposits with balances greater than $100,000 (series SVGLA308). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>24b. Change in large time deposit liabilities of savings institutions that submit reports of condition to the Federal Deposit Insurance Corporation</td>
<td>443135063</td>
<td>1.3</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC-E, Memorandum item, Total time deposits of $100,000 or more (series RCON2604). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>25. Change in outstanding federal funds bought by savings institutions and in outstanding loans to them under security repurchase agreements</td>
<td>442150005</td>
<td>-1.9</td>
<td>Sum of lines 25a and 25b, less line 25c.</td>
</tr>
</tbody>
</table>
### F.114 Savings Institutions—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>25a. Change in outstanding federal funds bought by savings institutions</td>
<td>442150053</td>
<td>-1.5</td>
<td>Level from Thrift Financial Report, schedule SC, Reverse repurchase agreements (series SVGL2023). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>that submit reports of condition to the Office of Thrift Supervision and</td>
<td></td>
<td></td>
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<tr>
<td>in outstanding loans to them under security repurchase agreements</td>
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<tr>
<td>25b. Change in outstanding federal funds bought by savings institutions</td>
<td>442150063</td>
<td>.4</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC, Federal funds purchased and securities sold under agreements to repurchase (series RCON2800). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>that submit reports of condition to the Federal Deposit Insurance</td>
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<tr>
<td>Corporation and in outstanding loans to them under security repurchase</td>
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<tr>
<td>agreements</td>
<td></td>
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</tr>
<tr>
<td>25c. Change in outstanding federal funds bought by savings institutions</td>
<td>442150723</td>
<td>.7</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC, 5 percent of Federal funds sold and securities purchased under agreements to resell (series RCON1350). The 5 percent figure is the approximate historical proportion of federal funds sales and security repurchase agreements of weekly reporting large commercial banks (assumed to apply to all U.S.-chartered commercial banks) made with entities other than commercial banks in the U.S. and nonbank security brokers and dealers; data for large commercial banks are from FR 2416 report, Federal funds sold and securities purchased under agreements to resell, With others (series WRBK1390), divided by Federal funds sold and securities purchased under agreements to resell, sum of With commercial banks in the U.S. (including U.S. branches and agencies of foreign banks) (WRBK1360), With nonbank brokers and dealers in securities (WRBK1370), and With others (WRBK1390). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>that submit reports of condition to the Federal Deposit Insurance</td>
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<tr>
<td>institutions from U.S.-chartered commercial banks and in outstanding</td>
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<tr>
<td>loans to the savings institutions from the banks under security repurchase</td>
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<tr>
<td>agreements</td>
<td></td>
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<tr>
<td>26. Change in credit market debt of savings institutions</td>
<td>444104005</td>
<td>19.7</td>
<td>Sum of lines 27, 28, and 29.</td>
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<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
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<td>--------------------------------------------------------------------------</td>
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<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
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<tr>
<td><strong>27. Change in corporate bond liabilities of savings institutions that</strong></td>
<td>443163</td>
<td>.1</td>
<td>Level from Thrift Financial Report, schedule SC, sum of Subordinated debentures (including mandatory convertible securities) (series SVGL0686) and Mortgage-collateralized securities issued (sum of SVGL2113 and SVGL1963). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td><strong>submit reports of condition to the Office of Thrift Supervision</strong></td>
<td>053</td>
<td></td>
<td></td>
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<tr>
<td><strong>28. Change in outstanding loans, not elsewhere classified, to savings</strong></td>
<td>443168</td>
<td>3.5</td>
<td>Sum of lines 25c, 28a, and 28b.</td>
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<tr>
<td><strong>institutions held by the commercial banking sector</strong></td>
<td>005</td>
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<td></td>
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<tr>
<td>28a. Change in loans to savings institutions held by U.S.-chartered commercial banks</td>
<td>443168</td>
<td>2.8</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-C, Loans to other depository institutions in the U.S. (series RCON1517). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td><strong>28b. Change in loans to savings institutions held by foreign banking</strong></td>
<td>443168</td>
<td>*</td>
<td>Level from quarterly Report of Condition for U.S. branches and agencies of foreign banks, schedule C, Loans to other depository institutions in the U.S. (including their IBFs) (series RCON1517). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td><strong>offices in the U.S.</strong></td>
<td>723</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>29. Change in other loans and advances to savings institutions held by</strong></td>
<td>443169</td>
<td>16.2</td>
<td>Line 29a plus change in loans to savings institutions held by Federal Home Loan Banks (government-sponsored enterprises sector) (equal to line 29b net of lines 29c, 29d, and 29e).</td>
</tr>
<tr>
<td><strong>government-sponsored enterprises</strong></td>
<td>025</td>
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<tr>
<td>29a. Change in warehousing advances to savings institutions held by Sallie Mae (government-sponsored enterprises sector)</td>
<td>443169</td>
<td>.0</td>
<td>Level from Sallie Mae, Information Statement, Notes to Consolidated Financial Statements, note 4, Warehousing Advances, Thrift institutions. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td><strong>government-sponsored enterprises</strong></td>
<td>403</td>
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### F.114 Savings Institutions—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>29b. Change in loans to financial institutions held by Federal Home Loan Banks (government-sponsored enterprises sector)</td>
<td>403069203</td>
<td>36.4</td>
<td>Level from FHLBs, Statements of Condition, column Combined, Advances to members and nonmember mortgagees. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>29c. Change in loans to U.S.-chartered commercial banks held by Federal Home Loan Banks (government-sponsored enterprises sector)</td>
<td>723169203</td>
<td>19.9</td>
<td>Level from Federal Housing Finance Board, FHLB System Membership Report, table Advances Outstanding by Member Type, Commercial banks, Total advances. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Data for this series are provided to the FR Board on the Federal Housing Finance Board’s Electronic Bulletin Board.</td>
</tr>
<tr>
<td>29d. Change in loans to credit unions held by Federal Home Loan Banks (government-sponsored enterprises sector)</td>
<td>473169203</td>
<td>.1</td>
<td>Level from Federal Housing Finance Board, FHLB System Membership Report, table Advances Outstanding by Member Type, Credit unions, Total advances. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Data for this series are provided to the FR Board on the Federal Housing Finance Board’s Electronic Bulletin Board.</td>
</tr>
<tr>
<td>29e. Change in loans to life insurance companies held by Federal Home Loan Banks (government-sponsored enterprises sector)</td>
<td>543169203</td>
<td>.2</td>
<td>Level from Federal Housing Finance Board, FHLB System Membership Report, table Advances Outstanding by Member Type, Insurance companies, Total advances. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Data for this series are provided to the FR Board on the Federal Housing Finance Board’s Electronic Bulletin Board.</td>
</tr>
<tr>
<td>30. Change in taxes payable by savings institutions</td>
<td>443178005</td>
<td>.4</td>
<td>Sum of lines 30a and 30b.</td>
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</table>
### Table F.114—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>30a. Change in taxes payable by savings institutions that submit reports of condition to the Office of Thrift Supervision</td>
<td>443178053</td>
<td>.2</td>
<td>Level from Thrift Financial Report, schedule SC, Accrued taxes (series SVGL0474). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>30b. Change in taxes payable by savings institutions that submit reports of condition to the Federal Deposit Insurance Corporation</td>
<td>443178063</td>
<td>.2</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC-G, Net deferred tax liabilities (series RCON3049), less schedule RC-F, Net deferred tax assets (RCON2148). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>31. Change in total miscellaneous liabilities of savings institutions</td>
<td>443190005</td>
<td>−2.1</td>
<td>Sum of lines 32 and 33.</td>
</tr>
<tr>
<td>32. Change in liabilities of savings institutions for investment by bank holding company parents</td>
<td>443194733</td>
<td>.3</td>
<td>Level estimated by FOF Section as approximately 10 percent of the net of (1) FR Y-9LP report, Investments in and receivables due from subsidiaries and associated companies (series BHCP0365), and (2) bank holding companies’ dollar claims on foreign affiliates (FOF series 733092003, table F.112, line 12b). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>33. Change in unidentified miscellaneous liabilities of savings institutions</td>
<td>443193005</td>
<td>−2.4</td>
<td>Residual value calculated as change in reported liabilities and net worth (equal to change in reported total assets, sum of lines 19e and 19f) less changes in identified liabilities and net worth (lines 23a, 23b, 23c, 25, 27, 28, 29, 30, 32, 33a, and 33b).</td>
</tr>
<tr>
<td>33a. Change in net worth reported by savings institutions that submit reports of condition to the Office of Thrift Supervision</td>
<td>445080053</td>
<td>.4</td>
<td>Level from Thrift Financial Report, schedule SC, Total equity capital (series SVGL3491). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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</table>
### F.114 Savings Institutions—Continued

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<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>33b. Change in net worth reported by savings institutions that submit reports of condition to the Federal Deposit Insurance Corporation</td>
<td>445080063</td>
<td>−.4</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC, Total equity capital (series RCON3210). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>34. Discrepancy for savings institutions, equal to gross saving less gross investment</td>
<td>447005005</td>
<td>−1.6</td>
<td>Sum of lines 1 and 20, less lines 2 and 3. The discrepancy is a use of funds in the FOF accounts.</td>
</tr>
</tbody>
</table>
Table F.115  Credit Unions

Credit unions are federally chartered or state-chartered savings institutions open to members who share a so-called common bond, such as employment, geographic proximity, or organization membership. (Legislation enacted in 1998 permitted some broadening of this eligibility criterion.) There are about 12,000 credit unions in the U.S., offering primarily consumer-oriented financial services; most are fairly small institutions, although a few are very large and operate in the national financial arena. Credit union deposit liabilities are included in the monetary aggregates (measures of the national money supply published by the Federal Reserve System), and deposits in federal credit unions and federally insured state-chartered credit unions are insured by the National Credit Union Share Insurance Fund (NCUSIF).

The credit union industry has a hierarchical structure. Local credit unions belong to thirty-nine corporate credit unions. The corporate credit unions accept deposits from and make loans to member credit unions; in turn, they deposit most of their excess funds with U.S. Central Credit Union, a private institution whose principal function is to provide wholesale financial and payments services to its corporate credit union members and their credit union constituency. In the sector statement for credit unions, intrasector transactions at these various levels are netted out, but the investments of U.S. Central with institutions outside the credit union sector are included in the sector’s total assets.

The primary source of data for the sector is the Credit Union National Association (CUNA), a trade association. Data reported to the National Credit Union Administration, a federal agency, are a secondary source of information about the federally and state-chartered credit unions insured by the NCUSIF. Federally insured credit unions pay an annual premium into the NCUSIF, which holds only securities issued by or guaranteed by the U.S. government; in the flow of funds accounts the credit unions sector’s total holdings of U.S. government securities include an amount equal to the accumulated contributions of insured credit unions shown on NCUSIF's balance sheet.
<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>1 FA476000105 Gross saving</td>
<td>3.1</td>
<td>3.7</td>
<td>3.8</td>
<td>4.2</td>
<td>4.7</td>
<td>3.7</td>
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<tr>
<td>2 FA475013003 Fixed nonresidential investment</td>
<td>1.0</td>
<td>1.0</td>
<td>1.2</td>
<td>1.1</td>
<td>1.2</td>
<td>1.3</td>
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<tr>
<td>3 FA474099005 Net acquisition of financial assets</td>
<td>24.7</td>
<td>17.0</td>
<td>11.9</td>
<td>17.1</td>
<td>19.5</td>
<td>23.7</td>
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<tr>
<td>4 FA473020000 Checkable deposits and currency</td>
<td>1.2</td>
<td>-0.1</td>
<td>0.0</td>
<td>0.9</td>
<td>0.1</td>
<td>0.6</td>
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<tr>
<td>5 FA473030005 Time and savings deposits</td>
<td>0.3</td>
<td>-1.3</td>
<td>-8.9</td>
<td>0.4</td>
<td>-0.7</td>
<td>0.6</td>
</tr>
<tr>
<td>6 FA472050000 Federal funds and security RPs</td>
<td>0.4</td>
<td>-5.1</td>
<td>-2.3</td>
<td>0.2</td>
<td>-4.9</td>
<td>2.0</td>
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<tr>
<td>7 FA474040005 Credit market instruments</td>
<td>17.7</td>
<td>21.7</td>
<td>28.1</td>
<td>16.2</td>
<td>25.5</td>
<td>16.8</td>
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<tr>
<td>8 FA473069103 Open market paper</td>
<td>0.4</td>
<td>-0.7</td>
<td>-0.1</td>
<td>-1.6</td>
<td>-0.3</td>
<td>-0.1</td>
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<tr>
<td>9 FA473061005 U.S. government securities</td>
<td>14.9</td>
<td>10.3</td>
<td>4.0</td>
<td>1.1</td>
<td>4.1</td>
<td>-1.4</td>
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<td>10 FA473061105 Treasury</td>
<td>5.9</td>
<td>2.6</td>
<td>-0.5</td>
<td>-3.8</td>
<td>-0.9</td>
<td>-1.8</td>
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<tr>
<td>11 FA473061705 Agency</td>
<td>9.1</td>
<td>7.7</td>
<td>4.5</td>
<td>4.9</td>
<td>4.9</td>
<td>0.4</td>
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<tr>
<td>12 FA473051005 Home mortgages</td>
<td>3.3</td>
<td>-0.1</td>
<td>6.1</td>
<td>4.4</td>
<td>9.5</td>
<td>10.1</td>
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<tr>
<td>13 FA473066000 Consumer credit</td>
<td>-0.9</td>
<td>12.2</td>
<td>18.0</td>
<td>12.3</td>
<td>12.2</td>
<td>8.2</td>
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<tr>
<td>14 FA473064203 Mutual fund shares</td>
<td>1.5</td>
<td>0.1</td>
<td>-1.6</td>
<td>0.2</td>
<td>-0.3</td>
<td>-0.2</td>
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<tr>
<td>15 FA473090005 Miscellaneous assets</td>
<td>3.7</td>
<td>1.7</td>
<td>-3.4</td>
<td>-0.8</td>
<td>-0.2</td>
<td>3.8</td>
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<tr>
<td>16 FA474190005 Net increase in liabilities</td>
<td>21.7</td>
<td>13.3</td>
<td>9.5</td>
<td>13.4</td>
<td>16.4</td>
<td>20.5</td>
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<tr>
<td>17 FA473139000 Shares/deposits</td>
<td>21.6</td>
<td>12.6</td>
<td>7.9</td>
<td>15.4</td>
<td>16.3</td>
<td>20.3</td>
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<tr>
<td>18 FA473127003 Checkable</td>
<td>4.5</td>
<td>1.7</td>
<td>2.0</td>
<td>2.1</td>
<td>1.6</td>
<td>4.1</td>
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<tr>
<td>19 FA473131005 Small time and savings</td>
<td>15.5</td>
<td>9.8</td>
<td>5.5</td>
<td>11.6</td>
<td>12.3</td>
<td>13.2</td>
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<tr>
<td>20 FA473135003 Large time</td>
<td>1.0</td>
<td>1.1</td>
<td>0.4</td>
<td>1.7</td>
<td>2.4</td>
<td>2.9</td>
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<tr>
<td>21 FA473169203 Other loans and advances</td>
<td>0.0</td>
<td>0.2</td>
<td>0.2</td>
<td>-0.1</td>
<td>0.1</td>
<td>0.1</td>
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<tr>
<td>22 FA473193005 Miscellaneous liabilities</td>
<td>0.1</td>
<td>0.5</td>
<td>1.4</td>
<td>-1.9</td>
<td>0.0</td>
<td>0.1</td>
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<tr>
<td>23 FA477005005 Discrepancy</td>
<td>-0.9</td>
<td>-1.0</td>
<td>0.3</td>
<td>-0.6</td>
<td>0.4</td>
<td>-0.8</td>
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</table>

Table F.115  515
### F.115 Credit Unions

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gross saving of credit unions</td>
<td>476000105</td>
<td>3.7</td>
<td>Sum of lines 1a and 1b.</td>
</tr>
<tr>
<td>1a. Undistributed profits of credit unions</td>
<td>476006003</td>
<td>2.3</td>
<td>Seasonally adjusted flow from special tabulation of undistributed profits of credit unions provided once a year by BEA. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
</tbody>
</table>
Table F.115—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
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</tr>
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<tbody>
<tr>
<td>1b. Consumption of fixed nonresidential capital by credit unions, with nonresidential structures and equipment valued at current cost</td>
<td>476330003</td>
<td>1.4</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (M1NFI611EQ00), insurance carriers (M1NFI631EQ00), and holding and other investment offices (M1NFI671EQ00); plus Structures for commercial and mutual depository institutions (M1NFI6B1ST00), nondepository institutions (M1NFI611ST00), insurance carriers (M1NFI631ST00), and holding and other investment offices (M1NFI671ST00). The sum is multiplied by the ratio of consumption of fixed nonresidential equipment capital by commercial and mutual depository institutions to consumption of fixed nonresidential equipment and structures capital by commercial and mutual depository institutions for the equipment component of the total, and by the ratio of consumption of fixed nonresidential structures capital to consumption of fixed nonresidential equipment and structures capital for the structures component; both are multiplied by the ratio of tangible assets reported by credit unions to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships.</td>
</tr>
</tbody>
</table>
### F.115 Credit Unions—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tbody>
<tr>
<td>2. Fixed nonresidential investment by credit unions</td>
<td>475013003</td>
<td>1.3</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NFI61EQ00), insurance carriers (I3NFI631EQ00), and holding and other investment offices (I3NFI671EQ00); plus Structures for commercial and mutual depository institutions (I3NFI6B1ST00), nondepository institutions (I3NFI611ST00), insurance carriers (I3NFI631ST00), and holding and other investment offices (I3NFI671ST00). The sum is multiplied by the ratio of investment in equipment by commercial and mutual depository institutions to investment in equipment and nonresidential structures by commercial and mutual depository institutions for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets reported by credit unions to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>3. Net acquisition of financial assets by credit unions</td>
<td>474090005</td>
<td>23.7</td>
<td>Sum of lines 4, 5, 6, 7, 14, and 15.</td>
</tr>
<tr>
<td>Component</td>
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<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
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<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>4. Change in checkable deposits and currency held by credit unions</td>
<td>473020000</td>
<td>.6</td>
<td>Level from Monthly Credit Union Estimates, table National Credit Union Aggregates, Cash. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>5. Change in time and savings deposits held by credit unions, including</td>
<td>473030005</td>
<td>.6</td>
<td>Sum of lines 5a and 5b.</td>
</tr>
<tr>
<td>the U.S. Central Credit Union</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>5a. Change in time and savings deposits held by credit unions</td>
<td>473030000</td>
<td>.6</td>
<td>Level from Monthly Credit Union Estimates, table National Credit Union Aggregates, Investments and Cash (equals surplus funds), multiplied by ratio from table National Credit Union Ratios, Distribution of surplus funds, Commercial banks, savings and loan associations, and mutual savings banks. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>5b. Change in time and savings deposits held by the U.S. Central</td>
<td>473030503</td>
<td>.0</td>
<td>Level from U.S. Central Credit Union Consolidated Financial Statements and Supplemental Financial Information, table Consolidated Statements of Financial Condition, Time deposits. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Central Credit Union</td>
<td></td>
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<tr>
<td>6. Change in outstanding federal funds sold by the U.S. Central Credit</td>
<td>472050000</td>
<td>2.0</td>
<td>Level from U.S. Central Credit Union Consolidated Financial Statements and Supplemental Financial Information, table Consolidated Statements of Financial Condition, Federal funds sold plus Securities purchased under agreements to resell, less Federal funds purchased and Securities sold under agreements to repurchase (latter two items were formerly published in table; now provided to FR Board by U.S. Central Credit Union). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>Union and in loans held by it under security repurchase agreements, net</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>of change in outstanding federal funds bought by it and loans</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>borrowed by it under security repurchase agreements</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Change in credit market assets of credit unions</td>
<td>474004005</td>
<td>16.8</td>
<td>Sum of lines 8, 9, 12, and 13.</td>
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</table>
### F.115 Credit Unions—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>8. Change in commercial paper held by the U.S. Central Credit Union</td>
<td>473069103</td>
<td>-.1</td>
<td>Level from U.S. Central Credit Union Consolidated Financial Statements and Supplemental Financial Information, table Supplemental Financial Information, Portfolio Structure, sum of columns Commercial paper and Corporate bonds and notes. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>9. Change in U.S. government securities held by credit unions</td>
<td>473061005</td>
<td>-1.4</td>
<td>Sum of lines 10 and 11.</td>
</tr>
<tr>
<td>10. Change in U.S. Treasury securities and in equity in the National Credit Union Share Insurance Fund held by credit unions</td>
<td>473061105</td>
<td>-1.8</td>
<td>Sum of lines 10a, 10b, and 10c.</td>
</tr>
<tr>
<td>10a. Change in U.S. Treasury securities held by credit unions</td>
<td>473061103</td>
<td>-2.3</td>
<td>Level from Monthly Credit Union Estimates, table National Credit Union Aggregates, sum of Investments and Cash (equals surplus funds), multiplied by ratio from table National Credit Union Ratios, Distribution of surplus funds, U.S. government. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>10b. Change in equity in the National Credit Union Share Insurance Fund held by credit unions</td>
<td>473061203</td>
<td>.1</td>
<td>Level from NCUA 5300 report, Statement of Financial Condition, NCUA share insurance capitalization deposit (series CUSA1208). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>10c. Change in U.S. government securities held by the U.S. Central Credit Union</td>
<td>473061153</td>
<td>.4</td>
<td>Level from U.S. Central Credit Union Consolidated Financial Statements and Supplemental Financial Information, table Supplemental Financial Information, Portfolio Structure, Obligations of the U.S. government or its agencies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
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<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>11. Change in U.S. government agency securities held by credit unions,</td>
<td>473061705</td>
<td>.4</td>
<td>Sum of lines 11a and 11b.</td>
</tr>
<tr>
<td>including mortgage-backed securities held by the U.S. Central Credit</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Union</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>11a. Change in U.S. government agency securities held by credit unions</td>
<td>473061700</td>
<td>2.1</td>
<td>Level from Monthly Credit Union Estimates, table National Credit Union Aggregates, sum of Investments and Cash (equals surplus funds), multiplied by ratio from table National Credit Union Ratios, Distribution of surplus funds, Agencies. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>11b. Change in mortgage-backed securities held by the U.S. Central</td>
<td>473061753</td>
<td>-1.7</td>
<td>Level from U.S. Central Credit Union Consolidated Financial Statements and Supplemental Financial Information, table Supplemental Financial Information, Portfolio Structure, sum of Asset-backed securities and Mortgage-related securities. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Central Credit Union</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Change in home mortgages held by credit unions</td>
<td>473065105</td>
<td>10.1</td>
<td>Line 12a less line 13.</td>
</tr>
<tr>
<td>12a. Change in loans held by credit unions</td>
<td>474005000</td>
<td>18.3</td>
<td>Level from Monthly Credit Union Estimates, table National Credit Union Aggregates, Loans. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>13. Change in consumer credit held by credit unions</td>
<td>473066000</td>
<td>8.2</td>
<td>Level from FR Board, Financial Institutions Section, monthly G.19 statistical release, Consumer Credit, table Consumer Credit Outstanding, Not seasonally adjusted, Major holders, Credit unions. Excludes securitized consumer credit. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
</tbody>
</table>
F.115  Credit Unions—Continued

<table>
<thead>
<tr>
<th>Component</th>
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<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>14. Net purchases of mutual fund shares by credit unions</td>
<td>473064203</td>
<td>-.2</td>
<td>Level at market value from NCUA 5300 report, Investment Schedule, Mutual funds and common trust investments (series CUSA8628). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>15. Change in total miscellaneous assets of credit unions</td>
<td>473090005</td>
<td>3.8</td>
<td>Sum of line 15a and change in unidentified miscellaneous assets. Change in unidentified miscellaneous assets is a residual value calculated as line 15b less changes in identified assets (lines 4, 5, 6, 7, 14, 15a, and 15c).</td>
</tr>
<tr>
<td>15a. Change in equity of credit unions in Federal Home Loan Banks</td>
<td>473092403</td>
<td>*</td>
<td>Level from Federal Housing Finance Board, FHLB System Membership Report, table Capital Stock Outstanding by Member Type, Credit unions, Total capital stock. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>15b. Change in total assets reported by credit unions</td>
<td>474090470</td>
<td>24.2</td>
<td>Level from Monthly Credit Union Estimates, table National Credit Union Aggregates, Assets. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>15c. Change in tangible assets of credit unions, at book value</td>
<td>475013103</td>
<td>.5</td>
<td>Level from NCUA 5300 report, Statement of Financial Condition, sum of Land and building (series CUSA1123), Other fixed assets (CUSA1124), and Other real estate owned (CUSA4578). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>16. Net increase in liabilities of credit unions</td>
<td>474190005</td>
<td>20.5</td>
<td>Sum of lines 17, 21, and 22.</td>
</tr>
<tr>
<td>17. Change in total share and deposit liabilities of credit unions</td>
<td>473139000</td>
<td>20.3</td>
<td>Level from Monthly Credit Union Estimates, table National Credit Union Aggregates, Savings. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
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</table>
### Table F115—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>18. Change in checkable deposit liabilities of credit unions</td>
<td>473127003</td>
<td>4.1</td>
<td>Level from NCUA 5300 report, Savings schedule, Share drafts (series CUSA2210). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>19. Change in small time and savings deposit liabilities of credit unions</td>
<td>473131005</td>
<td>13.2</td>
<td>Line 17 less lines 18 and 20.</td>
</tr>
<tr>
<td>20. Change in large time deposit liabilities of credit unions</td>
<td>473135003</td>
<td>2.9</td>
<td>Level from NCUA 5300 report, NCUA insured savings computation, Uninsured member shares and deposits over $100,000 in any member’s account (series CUSA2303). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>21. Change in loans to credit unions held by Federal Home Loan Banks</td>
<td>473169203</td>
<td>.1</td>
<td>Level from Federal Housing Finance Board, FHLB System Membership Report, table Advances Outstanding by Member Type, Credit unions, Total advances. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Data for this series are provided to the FR Board on the Federal Housing Finance Board’s Electronic Bulletin Board.</td>
</tr>
<tr>
<td>22. Change in unidentified miscellaneous liabilities of credit unions</td>
<td>473193005</td>
<td>.1</td>
<td>Residual value calculated as the change in reported liabilities and net worth (equal to the change in reported total assets, line 15b) less changes in identified liabilities and net worth (lines 17, 21, and 22a).</td>
</tr>
<tr>
<td>22a. Change in net worth reported by credit unions</td>
<td>475080003</td>
<td>3.7</td>
<td>Level from Monthly Credit Union Estimates, table National Credit Union Aggregates, Capital. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### F.115 Credit Unions—Continued

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<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tr>
<td>23. Discrepancy for credit unions, equal to gross saving less gross investment</td>
<td>477005005</td>
<td>-.8</td>
<td>Sum of lines 1 and 16, less lines 2 and 3. The discrepancy is a use of funds in the FOF accounts.</td>
</tr>
</tbody>
</table>
Table F.116  Bank Personal Trusts and Estates

Bank personal trusts are legal entities established at banks and nondepository noninsured trust companies by individuals to invest in assets for the benefit of the owners or others. The sector also includes estates of deceased persons being administered by banks and trust companies. Trusts other than bank personal trusts (such as trusts administered by individuals) are not separately identified among the assets of the households and nonprofit organizations sector and are not included in this sector.

In the flow of funds accounts, bank personal trusts are considered financial institutions separate from their owners. They invest in both tangible and financial assets and have a single source of funds (and a single liability), investment by their owners. The most prominent assets of the trusts, together accounting for nearly 70 percent of their financial assets at the end of 1997, are corporate equities and mutual fund shares.

Information on bank personal trusts and estates is taken from Trust Assets of Financial Institutions, an annual publication of the Federal Financial Institutions Examination Council.

F.116  Bank Personal Trusts and Estates (1)

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>1 FA604090005</td>
<td>Net acquisition of financial assets</td>
<td>-7.1</td>
<td>1.6</td>
<td>18.8</td>
<td>5.3</td>
<td>-10.7</td>
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<tr>
<td>2 FA604000005</td>
<td>Deposits</td>
<td>-5.7</td>
<td>-1.1</td>
<td>1.8</td>
<td>3.3</td>
<td>6.4</td>
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<td>3 FA603020003</td>
<td>Checkable deposits and currency</td>
<td>-0.1</td>
<td>-0.1</td>
<td>-0.3</td>
<td>0.1</td>
<td>0.3</td>
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<tr>
<td>4 FA603030003</td>
<td>Time and savings deposits</td>
<td>-5.2</td>
<td>-1.1</td>
<td>1.6</td>
<td>-0.5</td>
<td>-1.6</td>
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<tr>
<td>5 FA603040003</td>
<td>Money market fund shares</td>
<td>-0.3</td>
<td>0.1</td>
<td>0.6</td>
<td>3.7</td>
<td>7.8</td>
</tr>
<tr>
<td>6 FA604004005</td>
<td>Credit market instruments</td>
<td>8.0</td>
<td>9.5</td>
<td>7.1</td>
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<td>-7.7</td>
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<tr>
<td>7 FA603069103</td>
<td>Open market paper</td>
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<td>-3.2</td>
<td>3.5</td>
<td>0.7</td>
<td>-2.6</td>
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<tr>
<td>8 FA603061005</td>
<td>U.S. government securities</td>
<td>-1.6</td>
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<td>-1.1</td>
<td>-1.2</td>
<td>0.5</td>
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<tr>
<td>9 FA603061103</td>
<td>Treasury</td>
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<td>0.8</td>
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<tr>
<td>10 FA603061703</td>
<td>Agency</td>
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<td>0.9</td>
<td>-0.5</td>
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<td>-0.3</td>
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<tr>
<td>11 FA603050203</td>
<td>Municipal securities</td>
<td>6.1</td>
<td>12.9</td>
<td>5.3</td>
<td>-5.9</td>
<td>-4.3</td>
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<tr>
<td>12 FA603063003</td>
<td>Corporate and foreign bonds</td>
<td>6.2</td>
<td>-1.1</td>
<td>-0.4</td>
<td>-1.7</td>
<td>-1.7</td>
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<tr>
<td>13 FA603065103</td>
<td>Mortgages</td>
<td>-0.2</td>
<td>-0.3</td>
<td>-0.2</td>
<td>-0.1</td>
<td>0.3</td>
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<tr>
<td>14 FA603064105</td>
<td>Corporate equities</td>
<td>-37.0</td>
<td>-55.2</td>
<td>-8.8</td>
<td>1.6</td>
<td>-17.3</td>
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<tr>
<td>15 FA603064203</td>
<td>Mutual fund shares</td>
<td>25.8</td>
<td>44.9</td>
<td>21.7</td>
<td>9.5</td>
<td>3.9</td>
</tr>
<tr>
<td>16 FA603090003</td>
<td>Miscellaneous assets</td>
<td>1.8</td>
<td>3.5</td>
<td>-3.1</td>
<td>-0.9</td>
<td>3.9</td>
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<tr>
<td>17 FA604119005</td>
<td>Net increase in liabilities (2)</td>
<td>-7.1</td>
<td>0.9</td>
<td>17.8</td>
<td>4.0</td>
<td>-8.6</td>
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<tr>
<td>18 FA607005005</td>
<td>Discrepancy</td>
<td>0.1</td>
<td>-0.7</td>
<td>-1.0</td>
<td>-1.3</td>
<td>2.1</td>
</tr>
</tbody>
</table>

(1) Includes personal trusts and estates administered by nondeposit noninsured trust companies.
(2) Equal to the net acquisition of tangible and financial assets. These liabilities are assets of the household sector.
## F.116 Bank Personal Trusts and Estates

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Net acquisition of financial assets by bank personal trusts and estates</td>
<td>604090005</td>
<td>76.9</td>
<td>Sum of lines 2, 6, 14, 15, and 16.</td>
</tr>
<tr>
<td>2. Change in currency, deposits, and money market mutual fund shares held by bank personal trusts and estates</td>
<td>604000005</td>
<td>4.2</td>
<td>Sum of lines 3, 4, and 5.</td>
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<tr>
<td>3. Change in checkable deposits and currency held by bank personal trusts and estates</td>
<td>603020003</td>
<td>0.2</td>
<td>Year-end level from Trust Assets of Financial Institutions, table A-2, section Trusts and Estates, columns Personal trusts and Estates, sum of line 1, Non-interest-bearing deposits—own institution, and line 2, Non-interest-bearing deposits—other institutions, plus a portion of line 16, Total non-discretionary assets. Data are annual; series is converted to quarterly and estimated for current periods by FOF Section. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>4. Change in time and savings deposits held by bank personal trusts and estates</td>
<td>603030003</td>
<td>2.3</td>
<td>Year-end level from Trust Assets of Financial Institutions, table A-2, section Trusts and Estates, columns Personal trusts and Estates, sum of line 3, Interest-bearing deposits—own institution, and line 4, Interest-bearing deposits—other institutions, plus a portion of line 16, Total non-discretionary assets. Data are annual; series is converted to quarterly and estimated for current periods by FOF Section. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>5. Change in money market mutual fund shares held by bank personal trusts and estates</td>
<td>603034003</td>
<td>1.6</td>
<td>Year-end level from Trust Assets of Financial Institutions, table A-2, section Trusts and Estates, columns Personal trusts and Estates, line 7, Money market mutual funds, plus a portion of line 16, Total non-discretionary assets. Data are annual; series is converted to quarterly and estimated for current periods by FOF Section. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
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</table>
### F.116 Bank Personal Trusts and Estates—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>6. Change in credit market assets of bank personal trusts and estates</td>
<td>604004005</td>
<td>7.6</td>
<td>Sum of lines 7, 8, 11, 12, and 13.</td>
</tr>
<tr>
<td>7. Change in open market paper held by bank personal trusts and estates</td>
<td>603069103</td>
<td>2.8</td>
<td>Year-end level from Trust Assets of Financial Institutions, table A-2, section Trusts and Estates, columns Personal trusts and Estates, line 8, Other short-term obligations, plus a portion of line 16, Total non-discretionary assets. Data are annual; series is converted to quarterly and estimated for current periods by FOF Section. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>8. Change in U.S. government securities held by bank personal trusts and estates</td>
<td>603061005</td>
<td>-.1</td>
<td>Sum of lines 9 and 10.</td>
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<tr>
<td>9. Change in U.S. Treasury securities held by bank personal trusts and estates</td>
<td>603061103</td>
<td>-.3</td>
<td>Year-end level from Trust Assets of Financial Institutions, table A-2, section Trusts and Estates, columns Personal trusts and Estates, estimated as 55 percent of line 5, U.S. government and agency obligations, plus a portion of line 16, Total non-discretionary assets. Data are annual and at market value; data are converted to book value using percentage changes in end-of-year values in the Merrill Lynch U.S. Government Master Index (data obtained from the Bloomberg Service; before 1997, conversion was made using the Treasury bond index from the Lehman Family of Indices). Series is converted to quarterly and estimated for current periods by FOF Section. Unadjusted flow is the change in the book-value level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Level published in FOF releases is at book value.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
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<td>Explanation</td>
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<tr>
<td>10. Change in U.S. government agency securities held by bank personal trusts and estates</td>
<td>603061703</td>
<td>.2</td>
<td>Year-end level from Trust Assets of Financial Institutions, table A-2, section Trusts and Estates, columns Personal trusts and Estates, estimated as 45 percent of line 5, U.S. government and agency obligations, plus a portion of line 16, Total non-discretionary assets. Data are annual and at market value; data are converted to book value using percentage changes in end-of-year values in the Merrill Lynch FNMA Master Index (data obtained from the Bloomberg Service; before 1997, conversion was made using the fixed-rate mortgage-backed securities index from the Lehman Family of Indices). Series is converted to quarterly and estimated for current periods by FOF Section. Unadjusted flow is the change in the book-value level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Level published in FOF releases is at book value.</td>
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<tr>
<td>11. Change in municipal securities held by bank personal trusts and estates</td>
<td>603062003</td>
<td>.8</td>
<td>Year-end level from Trust Assets of Financial Institutions, table A-2, section Trusts and Estates, columns Personal trusts and Estates, line 6, State, county, and municipal obligations, plus a portion of line 16, Total non-discretionary assets. Data are annual and at market value; data are converted to book value using percentage changes in end-of-year values in the Merrill Lynch Municipal Master Bond Index (data obtained from the Bloomberg Service; before 1997, conversion was made using the municipal bond index from the Lehman Family of Indices). Series is converted to quarterly and estimated for current periods by FOF Section. Unadjusted flow is the change in the book-value level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Level published in FOF releases is at book value.</td>
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### F.116 Bank Personal Trusts and Estates—Continued

<table>
<thead>
<tr>
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<th>Explanation</th>
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<tbody>
<tr>
<td>12. Change in corporate and foreign bonds held by bank personal trusts and estates</td>
<td>603063003</td>
<td>4.3</td>
<td>Year-end level from Trust Assets of Financial Institutions, table A-2, section Trusts and Estates, columns Personal trusts and Estates, line 9, Other notes and bonds, plus a portion of line 16, Total non-discretionary assets. Data are annual and at market value; data are converted to book value using percentage changes in end-of-year values in the Merrill Lynch U.S. Corporate Master Index (data obtained from the Bloomberg Service; before 1997, conversion was made using the investment-grade corporate bond index from the Lehman Family of Indices). Series is converted to quarterly and estimated for current periods by FOF Section. Unadjusted flow is the change in the book-value level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Level published in FOF releases is at book value.</td>
</tr>
<tr>
<td>13. Change in home mortgages held by bank personal trusts and estates</td>
<td>603065103</td>
<td>–.2</td>
<td>Year-end level from Trust Assets of Financial Institutions, table A-2, section Trusts and Estates, columns Personal trusts and Estates, line 11, Real estate mortgages, plus a portion of line 16, Total non-discretionary assets. Data are annual; series is converted to quarterly and estimated for current periods by FOF Section. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>14. Net purchases of corporate equities by bank personal trusts and estates</td>
<td>603064105</td>
<td>72.3</td>
<td>Line 14a less line 15.</td>
</tr>
<tr>
<td>14a. Net purchases of corporate equities and mutual fund shares by bank personal trusts and estates</td>
<td>603064003</td>
<td>64.5</td>
<td>Year-end level from Trust Assets of Financial Institutions, table A-2, section Trusts and Estates, columns Personal trusts and Estates, line 10, Common and preferred stocks, plus a portion of line 16, Total non-discretionary assets. Data are annual and at market value. Series is converted to quarterly book value using percentage changes in the Wilshire 5000 Equity Index, with data for current periods estimated by FOF Section; market value interpolated using the Wilshire index. Unadjusted flow is the change in the book-value level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Level published in FOF releases is at market value.</td>
</tr>
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<td>Component</td>
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<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
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<td>--------------------------------------------------------------------------</td>
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</tr>
<tr>
<td>15. Net purchases of mutual fund shares by bank personal trusts and estates</td>
<td>603064203</td>
<td>-7.8</td>
<td>Year-end level from ICI, Mutual Fund Fact Book, Section 5, Institutional Investors, table Assets of Fiduciary, Business, and Other Institutional Investors in Equity and Bond and Income Funds, Fiduciaries (banks and individuals serving as trustees, guardians, and administrators). Data are annual and at market value. Series is converted to quarterly book value using percentage changes in the Wilshire 5000 Equity Index, with data for current periods estimated by FOF Section; market value interpolated using the Wilshire index. Unadjusted flow is the change in the book-value level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Level published in FOF releases is at market value.</td>
</tr>
<tr>
<td>16. Change in unidentified miscellaneous assets of bank personal trusts and estates</td>
<td>603093003</td>
<td>.7</td>
<td>Year-end level from Trust Assets of Financial Institutions, table A-2, section Trusts and Estates, columns Personal trusts and Estates, line 13, Miscellaneous assets, plus a portion of line 16, Total non-discretionary assets. Data are annual; series is converted to quarterly and estimated for current periods by FOF Section. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>17. Net increase in liabilities of personal trusts and estates to the households and nonprofit organizations sector, equal to change in investments in bank personal trusts and estates by households</td>
<td>604190005</td>
<td>75.0</td>
<td>Sum of lines 1 and 17a.</td>
</tr>
<tr>
<td>17a. Change in real estate assets of bank personal trusts and estates</td>
<td>605035003</td>
<td>-2.0</td>
<td>Year-end level from Trust Assets of Financial Institutions, table A-2, section Trusts and Estates, columns Personal trusts and Estates, line 12, Real estate, plus a portion of line 16, Total non-discretionary assets. Data are annual; series is converted to quarterly and estimated for current periods by FOF Section. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
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</table>
### F.116 Bank Personal Trusts and Estates—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>18. Discrepancy for bank personal trusts and estates, equal to gross saving less gross investment</td>
<td>607005005</td>
<td>-2.0</td>
<td>Line 17 less line 1. In this sector, gross saving is equal to zero, and gross investment is equal to net financial investment. The discrepancy is a use of funds in the FOF accounts.</td>
</tr>
</tbody>
</table>
The life insurance companies sector encompasses all mutual and stock legal reserve life insurance companies in the U.S. These companies write about 98 percent of the life insurance policies in effect in the U.S. (the remainder are written by fraternal societies, savings banks, and the federal government); they also administer individual and group annuities. The companies’ major nonfinancial source of funds is premium receipts; they also receive substantial investment income from their holdings of tangible and financial assets, primarily corporate and government agency bonds and corporate equities. Their major liabilities are reserves set aside for future benefit payments.

Information on life insurance companies comes from several sources. One source is data contained in the annual statements filed by the companies with the National Association of Insurance Commissioners (NAIC); the data are tabulated by the A.M. Best Company and by the American Council of Life Insurance (ACLI), a trade association, and are published, respectively, in Best’s Aggregates and Averages, Life and Health and in ACLI’s Life Insurance Fact Book and its quarterly release “Distribution of Investments of U.S. Life Insurance Companies.” Data also come from quarterly estimates provided by A.M. Best from a sample of companies. Finally, the Investment Company Institute (ICI) provides data on the sector’s holdings of mutual fund shares and money market mutual fund shares.

Table F.117  Life Insurance Companies

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Gross saving</td>
<td>6.7</td>
<td>4.7</td>
<td>23.2</td>
<td>15.1</td>
<td>15.1</td>
<td>17.6</td>
</tr>
<tr>
<td>2</td>
<td>Fixed nonresidential investment</td>
<td>19.5</td>
<td>23.2</td>
<td>19.3</td>
<td>23.1</td>
<td>21.4</td>
<td>25.9</td>
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<tr>
<td>3</td>
<td>Net acquisition of financial assets</td>
<td>97.7</td>
<td>143.0</td>
<td>120.9</td>
<td>144.7</td>
<td>128.3</td>
<td>219.9</td>
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<tr>
<td>4</td>
<td>Checkable deposits and currency</td>
<td>-0.6</td>
<td>0.4</td>
<td>0.4</td>
<td>-0.5</td>
<td>-0.9</td>
<td>3.8</td>
</tr>
<tr>
<td>5</td>
<td>Money market fund shares</td>
<td>5.4</td>
<td>6.4</td>
<td>-15.3</td>
<td>6.6</td>
<td>17.9</td>
<td>17.4</td>
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<tr>
<td>6</td>
<td>Credit market instruments</td>
<td>79.5</td>
<td>100.9</td>
<td>66.7</td>
<td>99.2</td>
<td>72.5</td>
<td>101.0</td>
</tr>
<tr>
<td>7</td>
<td>Open market paper</td>
<td>-2.5</td>
<td>3.6</td>
<td>5.9</td>
<td>-7.3</td>
<td>2.9</td>
<td>17.5</td>
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<tr>
<td>8</td>
<td>U.S. government securities</td>
<td>37.9</td>
<td>47.7</td>
<td>8.4</td>
<td>9.8</td>
<td>-13.6</td>
<td>-1.0</td>
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<tr>
<td>9</td>
<td>Treasury</td>
<td>10.2</td>
<td>20.1</td>
<td>-2.9</td>
<td>1.0</td>
<td>-14.9</td>
<td>1.1</td>
</tr>
<tr>
<td>10</td>
<td>Agency</td>
<td>27.7</td>
<td>27.6</td>
<td>11.3</td>
<td>8.7</td>
<td>1.3</td>
<td>-2.1</td>
</tr>
<tr>
<td>11</td>
<td>Municipal securities</td>
<td>1.1</td>
<td>3.2</td>
<td>-1.9</td>
<td>-0.9</td>
<td>1.5</td>
<td>-1.0</td>
</tr>
<tr>
<td>12</td>
<td>Corporate and foreign bonds</td>
<td>55.0</td>
<td>58.3</td>
<td>59.9</td>
<td>90.7</td>
<td>79.2</td>
<td>77.0</td>
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<tr>
<td>13</td>
<td>Policy loans</td>
<td>5.7</td>
<td>5.7</td>
<td>7.8</td>
<td>10.4</td>
<td>4.5</td>
<td>3.2</td>
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<tr>
<td>14</td>
<td>Mortgages</td>
<td>-17.5</td>
<td>-17.6</td>
<td>-13.5</td>
<td>-3.4</td>
<td>-2.1</td>
<td>5.4</td>
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<tr>
<td>15</td>
<td>Corporate equities</td>
<td>12.4</td>
<td>36.3</td>
<td>61.8</td>
<td>18.6</td>
<td>42.1</td>
<td>73.7</td>
</tr>
<tr>
<td>16</td>
<td>Mutual fund shares</td>
<td>9.0</td>
<td>6.3</td>
<td>-14.9</td>
<td>13.5</td>
<td>7.0</td>
<td>5.4</td>
</tr>
<tr>
<td>17</td>
<td>Miscellaneous assets</td>
<td>-8.1</td>
<td>-7.3</td>
<td>22.2</td>
<td>7.2</td>
<td>-10.2</td>
<td>18.6</td>
</tr>
<tr>
<td>18</td>
<td>Net increase in liabilities</td>
<td>103.1</td>
<td>125.2</td>
<td>120.2</td>
<td>122.4</td>
<td>101.0</td>
<td>185.0</td>
</tr>
<tr>
<td>19</td>
<td>Other loans and advances</td>
<td>0.0</td>
<td>0.2</td>
<td>0.3</td>
<td>-0.1</td>
<td>1.1</td>
<td>0.2</td>
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<tr>
<td>20</td>
<td>Life insurance reserves</td>
<td>27.7</td>
<td>35.7</td>
<td>34.3</td>
<td>44.8</td>
<td>43.8</td>
<td>52.6</td>
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<tr>
<td>21</td>
<td>Pension fund reserves (1)</td>
<td>68.9</td>
<td>73.9</td>
<td>81.0</td>
<td>65.1</td>
<td>44.4</td>
<td>99.5</td>
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<tr>
<td>22</td>
<td>Taxes payable</td>
<td>1.4</td>
<td>1.6</td>
<td>1.0</td>
<td>1.6</td>
<td>1.6</td>
<td>1.7</td>
</tr>
<tr>
<td>23</td>
<td>Miscellaneous liabilities</td>
<td>5.1</td>
<td>13.7</td>
<td>3.6</td>
<td>11.0</td>
<td>9.9</td>
<td>31.0</td>
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<tr>
<td>24</td>
<td>Discrepancy</td>
<td>-7.4</td>
<td>-36.3</td>
<td>3.2</td>
<td>-30.2</td>
<td>-33.7</td>
<td>-43.3</td>
</tr>
</tbody>
</table>

(1) Excludes unallocated contracts held by private pension funds, which are included in miscellaneous liabilities (line 23).
### Table F.117

**Life Insurance Companies**

<table>
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<tr>
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<tbody>
<tr>
<td>1. <strong>Gross saving of life insurance companies</strong></td>
<td>546000105</td>
<td>17.6</td>
<td>Sum of lines 1a and 1b.</td>
</tr>
<tr>
<td>1a. Undistributed profits of life insurance companies</td>
<td>546006003</td>
<td>−8.1</td>
<td>Seasonally adjusted flow from special tabulation of undistributed profits of life insurance companies provided once a year by BEA. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
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</table>
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<tr>
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<tbody>
<tr>
<td>1b. Consumption of fixed nonresidential capital by life insurance companies, with nonresidential structures and equipment valued at current cost</td>
<td>546330003</td>
<td>25.7</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth (FRTW), table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NF16B1EQ00; revisions and updates provided by BEA), nondepository institutions (M1NF1611EQ00), insurance carriers (M1NF1631EQ00), and holding and other investment offices (M1NF1671EQ00); plus Structures for commercial and mutual depository institutions (M1NF16B1ST00), nondepository institutions (M1NF1611ST00), insurance carriers (M1NF1631ST00), and holding and other investment offices (M1NF1671ST00). For the structures component of the total, the sum is multiplied by the ratio of consumption of fixed nonresidential structures capital by insurance carriers to consumption of fixed nonresidential equipment and structures capital by insurance carriers, and by the ratio of tangible assets reported by life insurance companies to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. The equipment component is the sum of consumption of fixed nonresidential equipment capital by the four financial institution groups delineated in FRTW less consumption of fixed nonresidential equipment capital by the FOF financial sectors cited above other than life insurance companies. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships.</td>
</tr>
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</table>
### Table F.117—Continued

<table>
<thead>
<tr>
<th>Component</th>
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<tbody>
<tr>
<td>2. Fixed nonresidential investment by life insurance companies</td>
<td>545013003</td>
<td>25.9</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth (FRTW), Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series 13NF16B1EQ00; revisions and updates provided by BEA), nondepository institutions (13NF1611EQ00), insurance carriers (13NF1631EQ00), and holding and other investment offices (13NF1671EQ00); plus Structures for commercial and mutual depository institutions (13NF16B1ST00), nondepository institutions (13NF1611ST00), insurance carriers (13NF1631ST00), and holding and other investment offices (13NF1671ST00). For the structures component of the total, the sum is multiplied by the ratio of investment in nonresidential structures by insurance carriers to investment in equipment and nonresidential structures by insurance carriers, and by the ratio of tangible assets reported by life insurance companies to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. The equipment component is the sum of investment in equipment by the four financial institution groups delineated in FRTW less investment in equipment by the FOF financial sectors cited above other than life insurance companies. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>3. Net acquisition of financial assets by life insurance companies</td>
<td>544090005</td>
<td>219.9</td>
<td>Sum of lines 4, 5, 6, 15, 16, and 17.</td>
</tr>
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### F.117 Life Insurance Companies—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tr>
<td>4. Change in checkable deposits and currency held by life insurance companies</td>
<td>543020003</td>
<td>3.8</td>
<td>Beginning 1997:Q4, level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for life, accident, and health insurance companies. Year-end level is sum of Annual Statement, table Assets, a portion of line 8, Cash and short-term investments, and Separate Accounts Statement, table Assets, line 6, Cash on deposit. Level for other quarters is the sum of Quarterly Statement, table Assets, a portion of line 8, Cash and short-term investments, plus FOF Section estimate of cash held in separate accounts. Before 1997:Q4, level from Life Insurance Fact Book, table Acquisitions of Investments (year), column Combined account, Cash, Held at year-end, with annual data converted to quarterly using data from Distribution of Investments of U.S. Life Insurance Companies, Cash and other invested assets plus Other (noninvested assets), allocated between cash and miscellaneous assets using a proportional split estimated annually by FOF Section. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>5. Change in money market mutual fund shares held by life insurance companies</td>
<td>543034003</td>
<td>17.4</td>
<td>Year-end level from Mutual Fund Fact Book, data section, Section 5, Institutional Investors, table Assets of Fiduciary, Business, and Other Institutional Investors in Taxable Money Market Funds, Insurance companies and other financial institutions; plus table Assets of Fiduciary, Business, and Other Institutional Investors in Tax-Exempt Money Market Funds, Insurance companies and other financial institutions, less an adjustment for variable annuity plans invested in money market mutual fund shares net of money market mutual fund shares held by the College Retirement Equities Fund (unpublished data provided by ICI). Data are annual; series is converted to quarterly and estimated for current periods on the basis of movements in institution-only money market mutual funds. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>6. Change in credit market assets of life insurance companies</td>
<td>544004005</td>
<td>101.0</td>
<td>Sum of lines 7, 8, 11, 12, 13, and 14.</td>
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<td>Component</td>
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<tr>
<td>7. Change in open market paper held by life insurance companies</td>
<td>543069100</td>
<td>17.5</td>
<td>Beginning 1997:Q4, level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for life, accident, and health insurance companies. Year-end level is a percentage of total short-term investments, which equals the sum of Annual Statement, table Assets, a portion of line 8, Cash and short-term investments, and Separate Accounts Statement, table Assets, line 7. Short-term investments. Percentage is estimated using data on the composition of short-term securities reported in the Life Insurance Fact Book. Level for other quarters is a percentage of total short-term investments, which is the sum of Quarterly Statement, table Assets, a portion of line 8, Cash and short-term investments, and FOF Section estimate of commercial paper in separate accounts. Before 1997:Q4, level from Distribution of Investments of U.S. Life Insurance Companies, column Combined account, Securities, Corporate—one year or less, sum of U.S. and Foreign. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>8. Change in U.S. government securities held by life insurance companies</td>
<td>543061005</td>
<td>-1.0</td>
<td>Sum of lines 9 and 10.</td>
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F.117  Life Insurance Companies—Continued

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<tbody>
<tr>
<td>9. Change in U.S. Treasury securities held by life insurance companies</td>
<td>543061103</td>
<td>1.1</td>
<td>Beginning 1997:Q4, level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for life, accident, and health insurance companies. Year-end level is the sum of Annual Statement, schedule D, Treasury securities, book value; Separate Accounts Statement, schedule D, Treasury securities, book value (special tabulations of Treasury securities in both statements provided by A.M. Best Company); and a percentage of short-term investments, which equals the sum of Annual Statement, table Assets, a portion of line 8, Cash and short-term investments, and Separate Accounts Statement, table Assets, line 7, Short-term investments. Percentage is estimated using data on the composition of short-term securities reported in the Life Insurance Fact Book. Data are annual; level for other quarters is a portion of total bonds, which is the sum of Quarterly Statement, table Assets, line 1, Bonds, and FOF Section estimate of total bonds held in separate accounts. Proportional split is estimated annually by FOF Section based on year-end distribution of bonds. Before 1997:Q4, level from Distribution of Investments of U.S. Life Insurance Companies, column Combined account, Securities, Government, U.S. Treasury. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>10. Change in U.S. government agency securities held by life insurance companies</td>
<td>543061703</td>
<td>-2.1</td>
<td>Beginning 1997:Q4, level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for life, accident, and health insurance companies. Year-end level is the sum of Annual Statement, schedule D, Agency securities, book value; Separate Accounts Statement, schedule D, Agency securities, book value (special tabulation of agency securities in both statements provided by A.M. Best Company); and a percentage of short-term investments, which equals the sum of Annual Statement, table Assets, a portion of line 8, Cash and short-term investments, and Separate Accounts Statement, line 7. Short-term investments. Percentage is estimated using data on the composition of short-term securities reported in the Life Insurance Fact Book. Data are annual; level for other quarters is a portion of total bonds, which is the sum of Quarterly Statement, table Assets, line I, Bonds, and FOF Section estimate of total bonds held in separate accounts. Proportional split is estimated annually by FOF Section based on year-end distribution of bonds. Before 1997:Q4, level from Distribution of Investments of U.S. Life Insurance Companies, column Combined account, Securities, Government, U.S. federal agency. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### F.117 Life Insurance Companies—Continued

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<tbody>
<tr>
<td>11. Change in municipal securities held by life insurance companies</td>
<td>543062003</td>
<td>-1.0</td>
<td>Beginning 1997:Q4, level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for life, accident, and health insurance companies. Year-end level is the sum of Annual Statement, schedule D, Municipal securities, book value; and Separate Accounts Statement, schedule D, Municipal securities, book value (special tabulation of municipal securities in both statements provided by A.M. Best Company). Data are annual; level for other quarters is a portion of total bonds, which is the sum of Quarterly Statement, table Assets, line 1, Bonds, and FOF Section estimate of total bonds held in separate accounts. Proportional split is estimated annually by FOF Section based on year-end distribution of bonds. Before 1997:Q4, level from Distribution of Investments of U.S. Life Insurance Companies, column Combined account, Securities, Government, U.S. state and local. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>12. Change in corporate and foreign bonds held by life insurance companies</td>
<td>543063005</td>
<td>77.0</td>
<td>Sum of lines 12a and 12b.</td>
</tr>
<tr>
<td>12a. Change in domestic corporate bonds held by life insurance companies</td>
<td>543063883</td>
<td>95.2</td>
<td>Beginning 1997:Q4, level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for life, accident, and health insurance companies. Year-end level is the sum of Annual Statement, schedule D, Corporate bonds, book value; and Separate Accounts Statement, schedule D, Corporate bonds, book value (special tabulation of corporate bonds in both statements provided by A.M. Best Company). Data are annual; level for other quarters is a portion of total bonds, which is the sum of Quarterly Statement, table Assets, line 1, Bonds, and FOF Section estimate of total bonds held in separate accounts. Proportional split is estimated annually by FOF Section based on year-end distribution of bonds. Before 1997:Q4, level from Distribution of Investments of U.S. Life Insurance Companies, column Combined account, Securities, Corporate—over one year, Bonds, notes, and debentures, U.S., with level at statement value. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### F.117—Continued

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<tr>
<td>12b. Change in foreign bonds held by life insurance companies</td>
<td>543063263</td>
<td>-18.2</td>
<td>Beginning 1997:Q4, level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for life, accident, and health insurance companies. Year-end level is the sum of Annual Statement, schedule D, Foreign bonds, book value; and Separate Accounts Statement, schedule D, Foreign bonds, book value (special tabulation of foreign bonds in both statements provided by A.M. Best Company). Data are annual; level for other quarters is a portion of total bonds, which is the sum of Quarterly Statement, table Assets, line 1, Bonds, and FOF Section estimate of total bonds held in separate accounts. Proportional split is estimated annually by FOF Section based on year-end distribution of bonds. Before 1997:Q4, level from Distribution of Investments of U.S. Life Insurance Companies, column Combined account, Securities, sum of Government, Foreign government and international agency, and Corporate—over one year, Bonds, notes, and debentures, Foreign. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>13. Change in loans on life insurance policies to the households and nonprofit organizations sector held by life insurance companies</td>
<td>543069403</td>
<td>3.2</td>
<td>Beginning 1997:Q4, level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for life, accident, and health insurance companies. Year-end level is the sum of Annual Statement, table Assets, line 5, Policy loans, and Separate Accounts Statement, table Assets, line 5, Policy loans. Level for other quarters is the sum of Quarterly Statement, table Assets, line 5, Policy loans, and FOF Section estimate of policy loans held in separate accounts. Before 1997:Q4, level from Distribution of Investments of U.S. Life Insurance Companies, column Combined account, Policy loans. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>14. Change in mortgages held by life insurance companies</td>
<td>543065005</td>
<td>5.4</td>
<td>Sum of lines 14a, 14b, 14c, and 14d.</td>
</tr>
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</table>
## F.117 Life Insurance Companies—Continued

<table>
<thead>
<tr>
<th>Component</th>
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</tr>
</thead>
<tbody>
<tr>
<td>14a. Change in home mortgages held by life insurance companies</td>
<td>543065103</td>
<td>.4</td>
<td>Level estimated by FR Board, Financial Institutions Section, from data in Gross Flow of Mortgage Loans in the U.S., Residential properties. Series is shown in FR Bulletin, table 1.54, line 18, One- to four-family mortgages held by life insurance companies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>14b. Change in multifamily residential mortgages held by life insurance companies</td>
<td>543065403</td>
<td>.6</td>
<td>Level estimated by FR Board, Financial Institutions Section, from data in Gross Flow of Mortgage Loans in the U.S., Commercial properties; percentage share allocated to multifamily mortgages (12.3 percent) based on ratio from year-end 1991. Series is shown in FR Bulletin, table 1.54, line 19, Mortgages on multifamily properties held by life insurance companies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>14c. Change in commercial mortgages held by life insurance companies</td>
<td>543065503</td>
<td>4.0</td>
<td>Level estimated by FR Board, Financial Institutions Section, from data in Gross Flow of Mortgage Loans in the U.S., Commercial properties; percentage share allocated to commercial mortgages (87.7 percent) based on ratio from year-end 1991. Series is shown in FR Bulletin, table 1.54, line 20, Mortgages on nonfarm, nonresidential properties held by life insurance companies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>14d. Change in farm mortgages held by life insurance companies</td>
<td>543065603</td>
<td>.5</td>
<td>Level estimated by FR Board, Financial Institutions Section, from data in Distribution of Investments of U.S. Life Insurance Companies, Mortgages, Farm. Series is shown in FR Bulletin, table 1.54, line 21, Farm mortgages held by life insurance companies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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Table F117—Continued

<table>
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<tr>
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<tbody>
<tr>
<td>15. Net purchases of corporate equities by life insurance companies</td>
<td>543064105</td>
<td>73.7</td>
<td>Line 15a less line 16.</td>
</tr>
<tr>
<td>15a. Net purchases of corporate equities and mutual fund shares by life insurance companies</td>
<td>543064003</td>
<td>79.1</td>
<td>Beginning 1997:Q4, level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for life, accident, and health insurance companies. Year-end level is sum of Annual Statement, table Assets, line 2.1, Preferred stocks, and line 2.2, Common stocks, both at market value; and Separate Accounts Statement, table Assets, line 2.1, Preferred stocks, and line 2.2, Common stocks, both at market value. Unadjusted flow is the change in the level less net realized and unrealized capital gains on preferred and common stock (from Annual Statement, exhibits 3 and 4, and Separate Accounts Statement, exhibit 3). Data are annual; level and flow for other quarters are FOF Section estimates based on Quarterly Statement, table Assets, line 2.1, Preferred stocks, and line 2.2, Common stocks, both at market value, plus estimate of the value of corporate equities held in separate accounts. Before 1997:Q4, unadjusted flow from Distribution of Investments of U.S. Life Insurance Companies, column Combined account, Stocks acquired during quarter less Stocks disposed of during quarter, with level at market value from same source, Stocks, sum of Preferred and Common. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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F.117  Life Insurance Companies—Continued

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<tr>
<td>16. Net purchases of mutual fund shares by life insurance companies</td>
<td>543064203</td>
<td>5.4</td>
<td>Year-end level from Mutual Fund Fact Book, Section 5, Institutional Investors, table Assets of Fiduciary, Business, and Other Institutional Investors in Equity and Bond and Income Funds, Insurance companies and other financial institutions, less market value of mutual fund shares held by variable annuity plans net of the value of long-term accounts in College Retirement Equities Fund (unpublished data provided by ICI). Data are annual; series is converted to quarterly market-value level on the basis of movements in the Wilshire 5000 Equity Index. Unadjusted flow is the change in the market-value level less capital gains over the quarter, estimated as the preceding quarter’s market-value level multiplied by the percentage change in the Wilshire index (expressed in decimal form). Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>17. Change in total miscellaneous assets of life insurance companies</td>
<td>543090005</td>
<td>18.6</td>
<td>Line 17a less lines 4 and 5.</td>
</tr>
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## Component

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<th>Code</th>
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<tr>
<td>17a. Change in other assets reported by life insurance companies</td>
<td>543090003</td>
<td>39.8</td>
</tr>
<tr>
<td>18. Net increase in liabilities of life insurance companies</td>
<td>544190005</td>
<td>185.0</td>
</tr>
<tr>
<td>19. Change in loans to life insurance companies held by Federal Home Loan Banks (government-sponsored enterprises sector)</td>
<td>543169203</td>
<td>.2</td>
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### Component Codes and 1997 Value

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<tr>
<td>20. Change in life insurance reserve liabilities of life insurance companies</td>
<td>543140003</td>
<td>52.6</td>
<td>Beginning 1997:Q4, level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for life, accident, and health insurance companies. Year-end level is sum of Annual Statement, table Liabilities, Surplus, and Other Funds, line 1, Aggregate reserve for life policies and contracts, less exhibit 8, Annuities, column Total, line Totals (net); exhibit 10, a portion of Liability for premiums and other deposit funds (direct and assumed), sum of columns 2, 3, 5, 6, and 7, line 6, Totals (net); a portion of Supplementary contracts without life contingencies (direct and assumed), sum of columns 2, 3, 5, 6, 7, and 12, line 11, Totals (net); plus Separate Accounts Statement, exhibit 6, Life insurance, column Total, line Totals (net), and Supplementary contracts, column Total, line Totals. Data are annual; series is converted to quarterly using quarterly statement data for general account liabilities and FOF Section estimate of life insurance reserve liabilities in separate accounts. Before 1997:Q4, level from Life Insurance Fact Book, section on Reserves and Other Obligations, table Policy Reserves, column Life insurance plus column Supplementary contracts, with annual data converted to quarterly by FOF Section estimate. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>21. Change in pension fund reserve liabilities of life insurance companies</td>
<td>543150005</td>
<td>99.5</td>
<td>Line 21a less line 21b.</td>
</tr>
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### Table F.117—Continued

<table>
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<tr>
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<th>Explanation</th>
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<tr>
<td>21a. Change in pension fund reserve liabilities of life insurance companies, including unallocated contracts</td>
<td>543150003</td>
<td>93.9</td>
<td>Beginning 1997:Q4, level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for life, accident, and health insurance companies. Year-end level is sum of Annual Statement, exhibit 8, Annuities (excluding supplementary contracts with life contingencies), column Total, line Totals (net); exhibit 10, a portion of Liability for premiums and other deposit funds (direct and assumed), sum of columns 4, 8, and 12, line 6, Totals (net), and a portion of Supplementary contracts without life contingencies (direct and assumed), sum of columns 4 and 8, line 11, Totals (net); plus Separate Accounts Statement, table Liabilities and Surplus, sum of line 3.1, Policyholder premiums, line 3.2, Guaranteed interest contracts, and line 3.3, Other contract deposit funds, and exhibit 6, column Total, sum of Annuities (excluding supplementary contracts), Totals, and Miscellaneous reserves, Totals. Data are annual; series is converted to quarterly using quarterly statement data for general account liabilities plus FOF Section estimate of annuity reserve liabilities in separate accounts. Before 1997:Q4, level from Life Insurance Fact Book, section Reserves and Other Obligations, table Policy Reserves, columns for Annuities, sum of Individual and Group, with annual data converted to quarterly by FOF Section estimate, plus FOF Section estimate of revaluations. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>21b.</td>
<td>573095403</td>
<td>-5.6</td>
<td>Year-end level from FOF Section tabulation of data (provided on tape by DOL) from IRS/DOL/PBGC Form 5500, Annual Return/Report of Employee Benefit Plan, sum of lines 31c(16), Value of funds held in insurance company general account (unallocated contracts), and 31c(12), Value of interest in pooled separate accounts. Data are annual and are available with a lag of several years; series is converted to quarterly and estimated for current periods using Independent Consultants Cooperative data on assets of employee benefit plans obtained from Bankers Trust Company. Unadjusted flow is the sum of the unadjusted flows of general account assets and pooled separate account assets. The unadjusted flow for the general account assets is the change in the level of these assets. The unadjusted flow for pooled separate account assets is calculated by multiplying net purchases of all equities, less net purchases of mutual fund shares, by the level of separate account assets as a percentage of the sum of separate account and equity assets. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Level begins 1985:Q4. This series represents assets of private pension plans held at life insurance companies, such as guaranteed investment contracts and variable annuity plans, that are managed for the benefit of individuals who are not separately identified to the insurance companies.</td>
</tr>
<tr>
<td>22.</td>
<td>543178003</td>
<td>1.7</td>
<td>Annual flow from SCB, NIPA table 6.18C, 50 percent of line 57, Insurance carriers, less SOI Source Book, Corporation Income Tax Returns, Returns with and without net income, table Life Insurance, line 89, Income tax after credits, total. Series is converted to unadjusted quarterly flow by K-L method. Level is obtained by adding unadjusted flow to preceding level; estimates for current quarters are obtained by extrapolation. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>23.</td>
<td>543190005</td>
<td>31.0</td>
<td>Sum of lines 21b, 23a, 23b, and 23c and change in unidentified miscellaneous liabilities. Change in unidentified miscellaneous liabilities is a residual value calculated as line 23d less changes in identified liabilities (lines 19, 22, and 23c).</td>
</tr>
</tbody>
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F.117—Continued

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<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tbody>
<tr>
<td>23a. Change in liabilities of life insurance companies for health insurance reserves</td>
<td>543195103</td>
<td>6.3</td>
<td>Beginning 1997:Q4, level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for life, accident, and health insurance companies. Year-end level from Annual Statement, sum of table Liabilities, Surplus, and Other Funds, line 2, Aggregate reserve for accident and health policies; exhibit 10, Liability for premiums and other deposit funds (direct and assumed), sum of columns 9, 10, and 11, line 6, Totals (net), and Supplementary contracts without life contingencies (direct and assumed), sum of columns 9, 10, and 11, line 11, Totals (net); plus Separate Accounts Statement, exhibit 6, Accident and health contracts, column Total, line Totals. Data are annual; series is converted to quarterly using quarterly statement data from table Liabilities, Surplus, and Other Funds, line 2, Aggregate reserve for accident and health policies, and FOF Section estimate of accident and health reserve liabilities in separate accounts. Before 1997:Q4, level from Life Insurance Fact Book, section Reserves and Other Obligations, table Policy Reserves, column Health insurance, with annual data converted to quarterly by FOF Section. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
</tbody>
</table>
F.117—Life Insurance Companies—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tr>
<td>23b. Change in liabilities of life insurance companies for policy dividend accumulations and funds set aside for policy dividends</td>
<td>543195203</td>
<td>2.0</td>
<td>Beginning 1997:Q4, level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for life, accident, and health insurance companies. Year-end level from Annual Statement, table Liabilities, Surplus, and Other Funds, sum of line 5, Policyholders’ dividend and coupon accumulations, line 6, Policyholders’ dividends and coupons due and unpaid, and line 7, Provision for policyholders’ dividends and coupons payable in following calendar year; plus Separate Accounts Statement, table Liabilities and Surplus, line 2, Policyholder dividend accumulations. Data are annual; series is converted to quarterly using quarterly statement data from table Liabilities, Surplus, and Other Funds, sum of line 5, Policyholders’ dividend and coupon accumulations, line 6, Policyholders’ dividends and coupons due and unpaid, and line 7, Provision for policyholders’ dividends and coupons payable in following calendar year; plus FOF Section estimate of policyholders’ dividend accumulations held in separate accounts. Before 1997:Q4, level from Life Insurance Fact Book, section Reserves and Other Obligations, table Obligations and Surplus Funds, sum of columns Policy dividend accumulations and Funds set aside for policy dividends, with annual data converted to quarterly by FOF Section estimate. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>23c. Foreign direct investment in U.S. life insurance companies</td>
<td>543192003</td>
<td>3.2</td>
<td>Beginning 1982, unadjusted flow and fourth-quarter level from special tabulations provided by BEA; before 1982, estimated by FOF Section from periodic BEA benchmark surveys of foreign direct investment in the U.S. Level for other quarters is obtained by adding flow to preceding level; level is at historical cost. Annual flow and year-end level shown in SCB, September issues, article Foreign Direct Investment in the U.S.: Detail for Historical-Cost Position and Related Capital and Income Flows, table 17, Life insurance. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### Table F.117—Continued

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<th>Component</th>
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<tr>
<td>23d. Change in other liabilities of life insurance companies</td>
<td>543193103</td>
<td>30.2</td>
<td>Beginning 1997:Q4, level from tabulation by A.M. Best Company of quarterly and annual statements for life, accident, and health insurance companies. Year-end level from Annual Statement, table Liabilities, Surplus, and Other Funds, line 28, Total liabilities, less FOF Section estimate of Interest maintenance reserve, less line 24.1, Asset valuation reserve, and less lines 20, 21, 23a, and 23b above. Data are annual; series is converted to quarterly by FOF Section based on quarterly statement data and estimate of interest maintenance reserve for separate accounts. Before 1997:Q4, level from Life Insurance Fact Book, section Reserves and Other Obligations, table Obligations and Surplus Funds, column Other obligations, with annual data converted to quarterly by FOF Section estimate. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>24. Discrepancy for life insurance companies, equal to gross saving less gross investment</td>
<td>547005005</td>
<td>-43.3</td>
<td>Sum of lines 1 and 18, less lines 2 and 3. The discrepancy is a use of funds in the FOF accounts.</td>
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Table F.118  Other Insurance Companies

The “other insurance companies” sector encompasses all companies licensed to write property or casualty insurance policies in the U.S. The firms provide many types of insurance, such as fire, group and other accident and health, homeowners, medical malpractice, workers’ compensation, automobile liability and physical damage, aircraft, reinsurance, burglary and theft, earthquake, credit, mortgage guaranty, and international.

The major assets of the companies that make up the sector are fixed-income securities and equities, but they hold several other kinds of assets and have historically been among the larger holders of municipal securities. The companies’ primary liability is amounts payable to policyholders who have filed claims for damages. Their other liabilities include taxes payable and direct investment by foreign parent companies; they also obtain funding from equity issuance.

Data on the sector come from annual statements filed by the companies with the National Association of Insurance Commissioners; the statements are then tabulated by A.M. Best Company. Data obtained from the Best Company at the end of 1997 covered 2,450 insurance companies.

<table>
<thead>
<tr>
<th>F.118</th>
<th>Other Insurance Companies</th>
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<tbody>
<tr>
<td></td>
<td>Billions of dollars</td>
</tr>
<tr>
<td>1</td>
<td>FAS16000105  Gross saving</td>
</tr>
<tr>
<td>2</td>
<td>FAS15013003  Fixed nonresidential investment</td>
</tr>
<tr>
<td>3</td>
<td>FAS14090005  Net acquisition of financial assets</td>
</tr>
<tr>
<td>4</td>
<td>FAS13020003  Checkable deposits and currency</td>
</tr>
<tr>
<td>5</td>
<td>FAS12050003  Security RPs</td>
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<td>6</td>
<td>FAS14040005  Credit market instruments</td>
</tr>
<tr>
<td>7</td>
<td>FAS13061005  U.S. government securities</td>
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<td>8</td>
<td>FAS13061103  Treasury</td>
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<tr>
<td>9</td>
<td>FAS13061703  Agency</td>
</tr>
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<td>FAS13062003  Municipal securities</td>
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<td>11</td>
<td>FAS13063003  Corporate and foreign bonds</td>
</tr>
<tr>
<td>12</td>
<td>FAS13065503  Commercial mortgages</td>
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<tr>
<td>13</td>
<td>FAS13064003  Corporate equities</td>
</tr>
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<td>14</td>
<td>FAS13070003  Trade receivables</td>
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<td>15</td>
<td>FAS13092003  Miscellaneous assets</td>
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<td>16</td>
<td>FAS14190005  Net increase in liabilities</td>
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<tr>
<td>17</td>
<td>FAS13164003  Corporate equity issues</td>
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<tr>
<td>18</td>
<td>FAS13178003  Taxes payable</td>
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<tr>
<td>19</td>
<td>FAS13190005  Miscellaneous liabilities</td>
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<tr>
<td>20</td>
<td>FAS17005005  Discrepancy</td>
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### Table F.118

**Other Insurance Companies**

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
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<tbody>
<tr>
<td>1. Gross saving of other insurance companies</td>
<td>516000105</td>
<td>1.6</td>
<td>Sum of lines 1a and 1b, plus 25 percent of line 1c.</td>
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<tr>
<td>1a. Undistributed profits of other insurance companies</td>
<td>516006003</td>
<td>.1</td>
<td>Seasonally adjusted flow from special tabulation of undistributed profits of non-life insurance companies excluding private pension plans provided once a year by BEA. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
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<tr>
<td>1b. Consumption of fixed nonresidential capital by other insurance companies, with nonresidential structures and equipment valued at current cost</td>
<td>516330003</td>
<td>2.9</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NF6B1EQ00; revisions and updates provided by BEA), nondepository institutions (M1NF611EQ00), insurance carriers (M1NF631EQ00), and holding and other investment offices (M1NF671EQ00); plus Structures for commercial and mutual depository institutions (M1NF6B1ST00), nondepository institutions (M1NF611ST00), insurance carriers (M1NF631ST00), and holding and other investment offices (M1NF671ST00). The sum is multiplied by the ratio of consumption of fixed nonresidential equipment capital by insurance carriers to consumption of fixed nonresidential equipment and structures capital by insurance carriers for the equipment component of the total, and by the ratio of consumption of fixed nonresidential structures capital to consumption of fixed nonresidential equipment and structures capital for the structures component; both are multiplied by the ratio of tangible assets reported by other insurance companies to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships.</td>
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<tr>
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<tr>
<td>1c. Capital consumption adjustment for financial corporations</td>
<td>796310003</td>
<td>-5.3</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.16, line 16, Capital consumption adjustment for corporate business, less line 34, Capital consumption adjustment for nonfinancial corporate business. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>2. Fixed nonresidential investment by other insurance companies</td>
<td>515013003</td>
<td>2.7</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NF16B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NF1611EQ00), insurance carriers (I3NF1631EQ00), and holding and other investment offices (I3NF1671EQ00); plus Structures for commercial and mutual depository institutions (I3NF161ST00), nondepository institutions (I3NF1611ST00), insurance carriers (I3NF1631ST00), and holding and other investment offices (I3NF1671ST00). The sum is multiplied by the ratio of investment in equipment by insurance carriers to investment in equipment and nonresidential structures by insurance carriers for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets reported by other insurance companies to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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F.118 Other Insurance Companies—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tbody>
<tr>
<td>3. Net acquisition of financial assets by other insurance companies</td>
<td>514090005</td>
<td>35.9</td>
<td>Sum of lines 4, 5, 6, 13, 14, and 15.</td>
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<tr>
<td>4. Change in checkable deposits and currency held by other insurance</td>
<td>513020003</td>
<td>.3</td>
<td>Level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for property-casualty insurance companies, table Assets, a portion of line 6, Cash and short-term investments. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>companies</td>
<td>513020003</td>
<td>.3</td>
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<tr>
<td>5. Change in outstanding loans held by other insurance companies</td>
<td>512050003</td>
<td>-.2</td>
<td>Level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for property-casualty insurance companies, table Assets, a portion of line 6, Cash and short-term investments. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>under security repurchase agreements</td>
<td>512050003</td>
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<tr>
<td>6. Change in credit market assets of other insurance companies</td>
<td>514004005</td>
<td>25.2</td>
<td>Sum of lines 7, 10, 11, and 12.</td>
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<td>7. Change in U.S. government securities held by other insurance companies</td>
<td>513061005</td>
<td>3.8</td>
<td>Sum of lines 8 and 9.</td>
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<tr>
<td>8. Change in U.S. Treasury securities held by other insurance companies</td>
<td>513061103</td>
<td>2.1</td>
<td>Year-end level from tabulation of U.S. Treasury securities by A.M. Best Company of NAIC annual statements for property-casualty insurance companies, schedule D, Book value. Levels for other quarters estimated from Best Company tabulation of quarterly statement, table Assets, percentage of line 1, Bonds (less liability for asset transfers with put options). Percentage used is FOF Section estimate based on distribution of annual bond data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
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<td>----------------------------------------------------------</td>
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<tr>
<td>9. Change in U.S. government agency securities held by other insurance companies</td>
<td>513061703</td>
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<td>Year-end level from tabulation of U.S. government agency securities by A.M. Best Company of NAIC annual statements for property-casualty insurance companies, schedule D, Book value. Levels for other quarters estimated from Best Company tabulation of quarterly statement, table Assets, percentage of line 1, Bonds (less liability for asset transfers with put options). Percentage used is FOF Section estimate based on distribution of annual bond data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>10. Change in municipal securities held by other insurance companies</td>
<td>513062003</td>
<td>5.1</td>
<td>Year-end level from tabulation of municipal securities by A.M. Best Company of NAIC annual statements for property-casualty insurance companies, schedule D, Book value. Levels for other quarters estimated from Best Company tabulation of quarterly statement, table Assets, percentage of line 1, Bonds (less liability for asset transfers with put options). Percentage used is FOF Section estimate based on distribution of annual bond data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>11. Change in corporate and foreign bonds held by other insurance companies</td>
<td>513063003</td>
<td>16.4</td>
<td>Year-end level from tabulation of corporate and foreign bonds by A.M. Best Company of NAIC annual statements for property-casualty insurance companies, schedule D, Book value. Levels for other quarters estimated from Best Company tabulation of quarterly statement, table Assets, percentage of line 1, Bonds (less liability for asset transfers with put options). Percentage used is FOF Section estimate based on distribution of annual bond data. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### F.118  Other Insurance Companies—Continued

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<td>12. Change in commercial mortgages held by other insurance companies</td>
<td>513065503</td>
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<td>Level from tabulations by A.M. Best Company of NAIC quarterly and annual statements for property-casualty insurance companies, table Assets, sum of line 3.1, Mortgage loans on real estate, First liens; and line 3.2, Mortgage loans on real estate, Other than first liens. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>13. Net purchases of corporate equities by other insurance companies</td>
<td>513064003</td>
<td>3.0</td>
<td>Level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for property-casualty insurance companies, table Assets, sum of line 2.1, Preferred stocks, and line 2.2, Common stocks, both at market value. Beginning 1996, unadjusted flow from table Cash Flow, line 12.2, Cost of investments acquired, Stocks, less line 11.2, Proceeds from investments sold, matured, or repaid, Stocks (table gives year-to-date totals; figures for previous quarters in same year are subtracted from totals to obtain values for current quarter). Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>14. Change in trade receivables held by other insurance companies</td>
<td>513070003</td>
<td>2.7</td>
<td>Level from tabulations by A.M. Best Company of NAIC quarterly and annual statements for property-casualty insurance companies, table Assets, sum of line 10.1, Premiums and agents’ balances in course of collection; line 10.2, Premiums, agents’ balances, and installments booked but deferred and not yet due; line 10.3, Accrued retrospective premiums; and line 12, Bills receivable, taken for premiums. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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</table>
### Table F.118—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>15. Change in identified miscellaneous assets of other insurance companies, equal to their direct investment abroad</strong></td>
<td>513092003</td>
<td><strong>4.9</strong></td>
<td>Beginning 1982, unadjusted flow and fourth-quarter level based on special tabulations provided by BEA; before 1982, estimated by FOF Section from periodic BEA benchmark surveys of U.S. direct investment abroad. Level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td><strong>16. Net increase in liabilities of other insurance companies</strong></td>
<td>514190005</td>
<td><strong>19.0</strong></td>
<td>Sum of lines 17, 18, and 19.</td>
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<tr>
<td><strong>17. Net issuance of corporate equities by other insurance companies</strong></td>
<td>513164003</td>
<td><strong>5.1</strong></td>
<td>Unadjusted flow from tabulation by A.M. Best Company of NAIC quarterly and annual statements for property–casualty insurance companies, table Cash Flow, line 14.1, Surplus notes, capital, and surplus paid in (table gives year-to-date total; figures for previous quarters in same year are subtracted from total to obtain value for current quarter). Series has no levels. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td><strong>18. Change in taxes payable by other insurance companies</strong></td>
<td>513178003</td>
<td><strong>1.2</strong></td>
<td>Annual flow from SCB, NIPA table 6.18C, 50 percent of line 57, Insurance carriers; less SOI Source Book, Corporation Income Tax Returns, Returns with and without net income, sum of table Mutual Property and Casualty Insurance Companies, line 89, Income tax after credits, total, and table Stock Property and Casualty Insurance Companies and Other Insurance Companies, line 89, Income tax after credits, total. Series is converted to unadjusted quarterly flow by K-L method. Level is obtained by adding unadjusted flow to preceding level; estimates for current quarters are obtained by extrapolation. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td><strong>19. Change in total miscellaneous liabilities of other insurance companies</strong></td>
<td>513190005</td>
<td><strong>12.7</strong></td>
<td>Sum of lines 19a and 19b.</td>
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### F.118 Other Insurance Companies—Continued

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<tr>
<td>19a. Foreign direct investment in U.S. other insurance companies</td>
<td>513192003</td>
<td>7.9</td>
<td>Beginning 1982, unadjusted flow and fourth-quarter level from special tabulations provided by BEA; before 1982, estimated by FOF Section from periodic BEA benchmark surveys of foreign direct investment in the U.S. Level for other quarters is obtained by adding flow to preceding level; level is at historical cost. Annual flow and year-end level shown in SCB, September issues, article Foreign Direct Investment in the U.S.: Detail for Historical-Cost Position and Related Capital and Income Flows, table 17, sum of Accident and health insurance and Other insurance. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>19b. Change in liabilities of other insurance companies for unearned premium reserves, reserves for incurred claims, and loss adjustment expense reserves</td>
<td>513176003</td>
<td>4.8</td>
<td>Level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for property-casualty insurance companies, table Liabilities, Surplus, and Other Funds, sum of line 1, Losses, line 2, Loss adjustment expenses, and line 9, Unearned premiums. The asset counterpart of this liability is allocated among the households and nonprofit organizations sector, nonfarm nonfinancial corporate business, nonfarm noncorporate business, and farm business using the distribution, by line of business, of premiums written by stock companies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>20. Discrepancy for other insurance companies, equal to gross saving less gross investment</td>
<td>517005005</td>
<td>-18.0</td>
<td>Sum of lines 1 and 16, less lines 2 and 3. The discrepancy is a use of funds in the FOF accounts.</td>
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</table>
Table F.119 Private Pension Funds

The private pension funds sector encompasses all private pension plans that, in accordance with Title I of the Employee Retirement Security Act of 1974 (ERISA), have filed IRS/DOL/PBGC Form 5500 (or Form 5500-C/R for plans with fewer than 100 participants) with the Internal Revenue Service (IRS). It also includes the Federal Employees Retirement System (FERS) Thrift Savings Plan, a supplemental retirement option available to federal employees beginning in 1984. The sector covers both defined benefit plans and defined contribution plans and includes both the retirement funds of nonprofit organizations and the single-employer and multi-employer plans of for-profit firms that are qualified for tax preferences. It does not cover annuities purchased for retirees or other “insured assets” such as guaranteed investment contracts, separate accounts, or other retirement assets managed by insurance companies; the assets of private pension funds do include unallocated insurance company contracts, however.

Individual retirement accounts (IRAs) and Keogh accounts are not included in the private pension funds sector. Rather, the assets of such accounts are included with the instruments in whose form the accounts are held, in the households and nonprofit organizations sector. For example, the value of mutual fund shares held by the household sector includes the value of shares held in IRA and Keogh accounts, and the value of household sector deposits includes the value of deposits in IRA and Keogh accounts.

Under a defined benefit plan, an employee typically receives an annuity upon reaching a specified age. The size of the annuity in most cases is based on length of service and employment earnings; the annuity may or may not incorporate adjustments for changes in the measured cost of living, and it may be integrated with social security. The employer makes regular contributions to the plan to fund the participant’s future benefits. Private defined benefit plans are frequently non-contributory, that is, participants do not contribute to the plan, and generally there are not individual accounts for participants. The risk of the investment strategy is borne by the employer. Defined benefit plans invest in a variety of tangible and financial assets, but they may not invest more than 10 percent of the fund’s assets in firm (employer) securities.

Under a defined contribution plan, the employer or the employee, or both, contributes to the employee account. The employee bears the investment risk, and the value to the employee at retirement depends on the accumulated contributions, investment earnings, and asset appreciation. There are many types of defined contribution plans, including savings, or thrift, plans; profit-sharing plans; money purchase plans; and employee stock ownership plans (ESOPs). A 401(k) arrangement, one form of defined contribution plan, allows an employee to have a portion of his or her compensation (otherwise payable in cash) contributed to the plan and to defer federal tax on that contribution until the time of withdrawal. In contrast to defined benefit plans, the composition of defined contribution plans is generally dictated by the investment choices of plan participants, and the portfolio is not subject to distribution requirements.

As of the end of fiscal year 1994, the private pension funds sector comprised 74,400 defined benefit plans and 615,900 defined contribution plans. At the end of 1997, the sector held $3.6 trillion in assets, with that amount about equally split between defined benefit and defined contribution plans. Corporate equities and mutual fund share holdings account for more than half of the sector’s total financial assets; other assets are government, agency, and corporate bonds. Data for the defined benefit and defined contribution plans shown separately are published in supplementary tables in the Federal Reserve Board’s quarterly Z.1 statistical release, “Flow of Funds Accounts of the United States.”

Data for the private pension funds sector are benchmarked to annual data submitted to the IRS by private pension plan sponsors on IRS/DOL/PBGC Form 5500 (and Form 5500-C/R). The IRS processes the forms and provides computerized files to the Department
Table F.119  Private Pension Funds—Continued

of Labor's Pension and Welfare Benefits Administration. The Department of Labor (DOL) further edits and checks the computerized files and creates weights to represent the universe of private pension plans with two or more participants. The Flow of Funds Section bases its estimates on the DOL annual data; quarterly figures are estimated using data for the Independent Consultants Cooperative universe as compiled by Bankers Trust Company (now part of Deutsche Bank). The Federal Retirement Thrift Investment Board provides quarterly data on the FERS Thrift Savings Plan.

<table>
<thead>
<tr>
<th></th>
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<tr>
<td>1 FA576330063 Gross saving</td>
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<td>0.5</td>
<td>0.8</td>
<td>0.8</td>
<td>0.7</td>
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<td>2 FA575013063 Fixed nonresidential investment</td>
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<td>1.2</td>
<td>1.6</td>
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<td>3 FA574090005 Net acquisition of financial assets</td>
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<td>76.1</td>
<td>97.8</td>
<td>78.1</td>
<td>96.1</td>
<td>84.6</td>
<td>86.3</td>
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<tr>
<td>4 FA573020003 Checkable deposits and currency</td>
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<td>-0.1</td>
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<tr>
<td>5 FA573030003 Time and savings deposits</td>
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<td>-8.4</td>
<td>-4.5</td>
<td>-14.9</td>
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<td>-13.6</td>
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<td>6 FA573040003 Money market fund shares</td>
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<td>5.3</td>
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<td>4.6</td>
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<td>7 FA572050003 Security RPs</td>
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<td>2.0</td>
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<td>8 FA574040005 Credit market instruments</td>
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<td>37.5</td>
<td>49.5</td>
<td>45.5</td>
<td>61.3</td>
<td>48.3</td>
<td>67.6</td>
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<tr>
<td>9 FA573061013 Open market paper</td>
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<td>1.9</td>
<td>3.6</td>
<td>-0.5</td>
<td>0.0</td>
<td>2.3</td>
<td>2.0</td>
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<td>10 FA573061005 U.S. government securities</td>
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<td>16.3</td>
<td>23.7</td>
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<td>33.0</td>
<td>20.9</td>
<td>31.1</td>
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<tr>
<td>11 FA573061105 Treasury</td>
<td></td>
<td>11.2</td>
<td>15.7</td>
<td>31.6</td>
<td>21.0</td>
<td>13.4</td>
<td>19.3</td>
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<tr>
<td>12 FA573061703 Agency</td>
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<td>5.1</td>
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<td>7.5</td>
<td>11.8</td>
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<td>13 FA573062003 Municipal securities</td>
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<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
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<tr>
<td>14 FA573063005 Corporate and foreign bonds</td>
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<td>22.2</td>
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<td>23.3</td>
<td>32.1</td>
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<td>15 FA573065003 Mortgages</td>
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<td>-3.7</td>
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<td>1.3</td>
<td>1.7</td>
<td>2.4</td>
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<tr>
<td>16 FA573064105 Corporate equities</td>
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<td>30.8</td>
<td>14.9</td>
<td>-4.0</td>
<td>11.0</td>
<td>-13.1</td>
<td>-23.7</td>
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<tr>
<td>17 FA573064203 Mutual fund shares</td>
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<td>10.2</td>
<td>21.7</td>
<td>20.1</td>
<td>18.9</td>
<td>42.5</td>
<td>37.4</td>
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<tr>
<td>18 FA573090005 Miscellaneous assets</td>
<td></td>
<td>16.8</td>
<td>9.8</td>
<td>16.0</td>
<td>13.9</td>
<td>13.9</td>
<td>11.9</td>
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<td>19 FA573095043 Unallocated insurance contracts (2)</td>
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<td>0.6</td>
<td>-4.9</td>
<td>-4.9</td>
<td>-3.0</td>
<td>-5.6</td>
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<tr>
<td>20 FA573070003 Contributions receivable</td>
<td></td>
<td>1.6</td>
<td>3.0</td>
<td>0.1</td>
<td>3.8</td>
<td>3.8</td>
<td>3.8</td>
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<tr>
<td>21 FA573093003 Other</td>
<td></td>
<td>21.3</td>
<td>6.2</td>
<td>20.8</td>
<td>15.0</td>
<td>13.1</td>
<td>13.7</td>
</tr>
<tr>
<td>22 FA573150005 Pension fund reserves (liabilities) (3)</td>
<td></td>
<td>77.1</td>
<td>98.4</td>
<td>78.8</td>
<td>96.0</td>
<td>84.6</td>
<td>86.4</td>
</tr>
</tbody>
</table>

(1) Includes the Federal Employees Retirement System Thrift Savings Plan.
(2) Assets of private pension plans held at life insurance companies (e.g., GICs, variable annuities); series begins 1985:Q4.
(3) Equal to the net acquisition of tangible and financial assets less gross saving (line 2 + line 3 - line 1). These liabilities are assets of the household sector.
### F.119 Private Pension Funds

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gross saving of private pension funds, equal to their consumption of fixed nonresidential structures capital, with nonresidential structures valued at current cost</td>
<td>576330063</td>
<td>.7</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (M1NFI611EQ00), insurance carriers (M1NFI631EQ00), and holding and other investment offices (M1NFI671EQ00); plus Structures for commercial and mutual depository institutions (M1NFI6B1ST00), nondepository institutions (M1NFI611ST00), insurance carriers (M1NFI631ST00), and holding and other investment offices (M1NFI671ST00). The sum is multiplied by the ratio of consumption of fixed nonresidential structures capital by insurance carriers to consumption of fixed nonresidential equipment and structures capital by insurance carriers, and by the ratio of tangible assets reported by private pension funds (converted to book value) to tangible assets, reported at book value, by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for sole proprietorships. Private pension funds are assumed to have no equipment.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
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<tr>
<td>2. Fixed nonresidential structures investment by private pension funds</td>
<td>575013063</td>
<td>575013063 .9</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NFI611EQ00), insurance carriers (I3NFI631EQ00), and holding and other investment offices (I3NFI671EQ00); plus Structures for commercial and mutual depository institutions (I3NFI6B1ST00), nondepository institutions (I3NFI611ST00), insurance carriers (I3NFI631ST00), and holding and other investment offices (I3NFI671ST00). The sum is multiplied by the ratio of investment in nonresidential structures by insurance carriers to investment in equipment and nonresidential structures by insurance carriers and multiplied by the ratio of tangible assets reported by private pension funds (converted to book value) to tangible assets, reported at book value, by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Private pension funds are assumed to have no equipment.</td>
</tr>
<tr>
<td>3. Net acquisition of financial assets by private pension funds</td>
<td>574090005</td>
<td>86.3</td>
<td>Sum of lines 4 through 8, 16, 17, and 18.</td>
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</table>
### Component 4. Change in checkable deposits and currency held by private pension funds

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<tr>
<td>573020003</td>
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<td>Year-end level from FOF Section tabulation of data (provided on tape by DOL) from IRS/DOL/PBGC Form 5500, Annual Return/Report of Employee Benefit Plan, line 31a, Total non-interest-bearing cash. Data are annual and are available with a lag of several years; series is converted to quarterly and estimated for current periods using Independent Consultants Cooperative data on assets of employee benefit plans obtained from Bankers Trust Company. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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</table>

### Component 5. Change in time and savings deposits held by private pension funds

<p>| Code       | -13.6                             | Year-end level from FOF Section tabulation of data (provided on tape by DOL) from IRS/DOL/PBGC Form 5500, Annual Return/Report of Employee Benefit Plan, sum of line 31c(1), Interest-bearing cash (including money market funds), less money market mutual fund shares held by private pension funds (FOF series 573034003, line 6 below), and line 31c(2), Certificates of deposit; plus portions of lines 31c(11), Value of interest in common/collective trusts, 31c(13), Value of interest in master trusts, and 31c(14), Value of interest in 103-12 investment entities, allocated using the distribution of nonpooled assets. Data are annual and are available with a lag of several years; series is converted to quarterly and estimated for current periods using Independent Consultants Cooperative data on assets of employee benefit plans obtained from Bankers Trust Company. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. |</p>
<table>
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<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
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<tr>
<td>6. Change in money market mutual fund shares held by private pension funds</td>
<td>573034003</td>
<td>4.6</td>
<td>Year-end level from Mutual Fund Fact Book, Section 5, Institutional Investors, table Assets of Fiduciary, Business, and Other Institutional Investors in Taxable Money Market Funds, Retirement plans; plus table Assets of Fiduciary, Business, and Other Institutional Investors in Tax-Exempt Money Market Funds, Retirement plans; less money market mutual fund shares held by the College Retirement Equities Fund; less an estimate of money market mutual fund shares held by Internal Revenue Code section 457 retirement plans. Data are annual; series is converted to quarterly and estimated for current periods using Independent Consultants Cooperative data on assets of employee benefit plans obtained from Bankers Trust Company. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>7. Change in loans held by private pension funds under security repurchase agreements</td>
<td>572050003</td>
<td>2.0</td>
<td>Year-end level from FOF Section tabulation of data (provided on tape by DOL) from IRS/DOL/PBGC Form 5500, Annual Return/Report of Employee Benefit Plan, estimated as a portion of the sum of line 31c(11), Value of interest in common/collective trusts, line 31c(13), Value of interest in master trusts, and line 31c(14), Value of interest in 103-12 investment entities; plus a portion of line 31c(17), Other general investments. Data are annual and are available with a lag of several years; series is converted to quarterly and estimated for current periods using Independent Consultants Cooperative data on assets of employee benefit plans obtained from Bankers Trust Company. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>8. Change in credit market assets of private pension funds</td>
<td>574004005</td>
<td>67.6</td>
<td>Sum of lines 9, 10, 13, 14, and 15.</td>
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<tr>
<td>Component</td>
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<tr>
<td>9. Change in open market paper held by private pension funds</td>
<td>573069103</td>
<td>2.0</td>
<td>Year-end level from FOF Section tabulation of data (provided on tape by DOL) from IRS/DOL/PBGC Form 5500, Annual Return/Report of Employee Benefit Plan, estimated as a portion of the sum of lines 31c(11), Value of interest in common/collective trusts, 31c(13), Value of interest in master trusts, and 31c(14), Value of interest in 103-12 investment entities; plus a portion of the sum of lines 31c(4A) and 31c(4B), Corporate debt instruments. Data are annual and are available with a lag of several years; series is converted to quarterly and estimated for current periods using Independent Consultants Cooperative data on assets of employee benefit plans obtained from Bankers Trust Company. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>10. Change in U.S. government securities held by private pension funds</td>
<td>573061005</td>
<td>31.1</td>
<td>Sum of lines 11 and 12.</td>
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<td>11. Change in U.S. Treasury securities held by private pension funds</td>
<td>573061105</td>
<td>19.3</td>
<td>Sum of lines 11a and change in U.S. Treasury securities held by the Federal Employees Retirement System Thrift Savings Plan (line 11b less lines 11c and 11d).</td>
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<tr>
<td>Component</td>
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<td>1997 value</td>
<td>Explanation</td>
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<td>11a. Change in U.S. Treasury securities held by private pension funds, excluding the Federal Employees Retirement System Thrift Savings Plan</td>
<td>573061113</td>
<td>17.6</td>
<td>Annual flow derived from year-end levels from FOF Section tabulation of data (provided on tape by DOL) from IRS/DOL/PBGC Form 5500, Annual Return/Report of Employee Benefit Plan, line 31c(3), U.S. government securities, multiplied by the proportion of Treasury securities (FOF series 313161505, table F.209, line 1) to total U.S. government securities (893161005, table F.4, line 3); plus portions of lines 31c(11), Value of interest in common/collective trusts, 31c(13), Value of interest in master trusts, and 31c(14), Value of interest in 103-12 investment entities, allocated using the distribution of nonpooled assets. Data are available with a lag of several years; series is converted to unadjusted quarterly flow and estimated for current periods using Independent Consultants Cooperative data on assets of employee benefit plans obtained from Bankers Trust Company. Quarterly level is obtained by adding unadjusted flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>11b. Change in total assets of the Federal Employees Retirement System Thrift Savings Plan</td>
<td>574090023</td>
<td>6.2</td>
<td>Unadjusted flow and capital gains provided by the Federal Retirement Thrift Investment Board from internal data on total amount contributed to the plan. Level is obtained by adding flow and capital gains to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>11c. Change in corporate and foreign bonds held by the Federal Employees Retirement System Thrift Savings Plan Fixed Income Index Investment Fund</td>
<td>573063023</td>
<td>.2</td>
<td>Unadjusted flow provided by the Federal Retirement Thrift Investment Board from internal data on total assets of the Fixed Income Index Investment Fund (assumed to be invested in corporate bonds). Level is obtained by adding unadjusted flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### F.119 Private Pension Funds—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tr>
<td>11d. Net purchases of corporate equities by the Federal Employees Retirement System Thrift Savings Plan Common Stock Index Investment Fund</td>
<td>573064123</td>
<td>4.4</td>
<td>Unadjusted flow and capital gains provided by the Federal Retirement Thrift Investment Board from internal data on the Common Stock Index Investment Fund. Level at market value is obtained by adding unadjusted flow and capital gains to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>12. Change in U.S. government agency securities held by private pension funds</td>
<td>573061703</td>
<td>11.8</td>
<td>Annual flow derived from year-end levels from FOF Section tabulation of data (provided on tape by DOL) from IRS/DOL/PBGC Form 5500, Annual Return/Report of Employee Benefit Plan, line 3lc(3), U.S. government securities, multiplied by proportion of Agency securities (FOF series 893161705, table F:210, line 1) to total U.S. government securities (893161005, table F:4, line 3); plus portions of lines 3lc(11), Value of interest in common/collective trusts, 3lc(13), Value of interest in master trusts, and 3lc(14), Value of interest in 103-12 investment entities, allocated using the distribution of nonpooled assets. Data are available with a lag of several years; series is converted to unadjusted quarterly flow and estimated for current periods using Independent Consultants Cooperative data on assets of employee benefit plans obtained from Bankers Trust Company. Quarterly level is obtained by adding unadjusted flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>13. Change in municipal securities held by private pension funds</td>
<td>573062003</td>
<td>.1</td>
<td>Annual flow derived from year-end levels from FOF Section tabulation of data (provided on tape by DOL) from IRS/DOL/PBGC Form 5500, Annual Return/Report of Employee Benefit Plan, estimated as a portion of line 3lc(17), Other general investments. Data are available with a lag of several years; series is converted to unadjusted quarterly flow and estimated for current periods using Independent Consultants Cooperative data on assets of employee benefit plans obtained from Bankers Trust Company. Quarterly level is obtained by adding unadjusted flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>Component</td>
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<tr>
<td>14. Change in corporate and foreign bonds held by private pension funds</td>
<td>573063005</td>
<td>32.1</td>
<td>Sum of lines 11c and 14a.</td>
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<td>14a. Change in corporate and foreign bonds held by private pension funds, excluding the Federal Employees Retirement System Thrift Savings Plan</td>
<td>573063013</td>
<td>31.9</td>
<td>Annual flow derived from year-end levels from FOF Section tabulation of data (provided on tape by DOL) from IRS/DOL/PBGC Form 5500, Annual Return/Report of Employee Benefit Plan, sum of lines 31c(4A) and 31c(4B), Corporate debt instruments, less open market paper held by private pension funds (FOF series 573069103, line 9 above); plus portions of line 31c(11), Value of interest in common/collective trusts, line 31c(13), Value of interest in master trusts, and line 31c(14), Value of interest in 103-12 investment entities, allocated using the distribution of nonpooled assets. Data are available with a lag of several years; series is converted to unadjusted quarterly flow and estimated for current periods using Independent Consultants Cooperative data on assets of employee benefit plans obtained from Bankers Trust Company. Quarterly level is obtained by adding unadjusted flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>15. Change in mortgages held by private pension funds</td>
<td>573065003</td>
<td>2.4</td>
<td>Annual flow derived from year-end levels from FOF Section tabulation of data (provided on tape by DOL) from IRS/DOL/PBGC Form 5500, Annual Return/Report of Employee Benefit Plan, sum of lines 31c(8A) and 31c(8B), Loans (other than to participants) secured by mortgages; and line 31c(9A), Loans to participants, mortgages; plus portions of lines 31c(11), Value of interest in common/collective trusts, 31c(13), Value of interest in master trusts, and 31c(14), Value of interest in 103-12 investment entities, allocated using the distribution of nonpooled assets. Data are available with a lag of several years; series is converted to unadjusted quarterly flow and estimated for current periods using Independent Consultants Cooperative data on assets of employee benefit plans obtained from Bankers Trust Company. Level is obtained by adding unadjusted flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
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<td>--------------------------------------------------------------------------</td>
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<tr>
<td>16. Net purchases of corporate equities by private pension funds</td>
<td>573064105</td>
<td>-23.7</td>
<td>Sum of lines 11d and 16a.</td>
</tr>
<tr>
<td>16a. Net purchases of corporate equities by private pension funds, excluding the Federal Employees Retirement System Thrift Savings Plan</td>
<td>573064113</td>
<td>-28.1</td>
<td>Year-end level at market value from FOF Section tabulation of data (provided on tape by DOL) from IRS/DOL/PBGC Form 5500, Annual Return/Report of Employee Benefit Plans, sum of lines 31c(5A) and 31c(5B), Corporate stocks, and 31d(1), Employer securities; plus portions of lines 31c(11), Value of interest in common/collective trusts, 31c(13), Value of interest in master trusts, and 31c(14), Value of interest in 103-12 investment entities, allocated using the distribution of nonpooled assets. Data are annual and are available with a lag of several years; series is converted to quarterly and estimated for current periods using Independent Consultants Cooperative data on assets of employee benefit plans obtained from Bankers Trust Company. Unadjusted flow is equal to net purchases of equities (from Bankers Trust) less the portion of net purchases of equities attributed to net purchases of mutual fund shares, less the portion of net purchases of equities attributed to net purchases of separate account assets. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>17. Net purchases of mutual fund shares by private pension funds</td>
<td>573064203</td>
<td>37.4</td>
<td>Year-end level at market value from FOF Section tabulation of data (provided on tape by DOL) from IRS/DOL/PBGC Form 5500, Annual Return/Report of Employee Benefit Plan, line 31c(15), Value of interest in registered investment companies. Data are annual and are available with a lag of several years; series is converted to quarterly and estimated for current periods using Independent Consultants Cooperative data on assets of employee benefit plans obtained from Bankers Trust Company. Unadjusted flow is calculated by multiplying the level of mutual fund shares held by private pension funds at the end of the preceding period by the ratio of net purchases of equities by mutual funds during the current period (FOF series 653064000, table F.122, line 11) to total equities held by mutual funds at the end of the preceding period. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
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<td>--------------------------------------------------------------------------</td>
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<tr>
<td>18. Change in total miscellaneous assets of private pension funds</td>
<td>573090005</td>
<td>11.9</td>
<td>Sum of lines 19, 20, and 21.</td>
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<tr>
<td>19. Change in unallocated insurance contracts held at life insurance</td>
<td>573095403</td>
<td>-5.6</td>
<td>Year-end level from FOF Section tabulation of data (provided on tape by DOL) from IRS/DOL/PBGC Form 5500, Annual Return/Report of Employee Benefit Plan, sum of lines 31c(16), Value of funds held in insurance company general account (unallocated contracts), and 31c(12), Value of interest in pooled separate accounts. Data are annual and are available with a lag of several years; series is converted to quarterly and estimated for current periods using Independent Consultants Cooperative data on assets of employee benefit plans obtained from Bankers Trust Company. Unadjusted flow is the year-end level from FOF Section tabulation of data (provided on tape by DOL) from IRS/DOL/PBGC Form 5500, Annual Return/Report of Employee Benefit Plan, line 31b(1), Receivables, employer contributions. Data are annual and are available with a lag of several years; series is converted to quarterly and estimated for current periods using Independent Consultants Cooperative data on assets of employee benefit plans obtained from Bankers Trust Company. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>20. Change in contributions payable to private pension funds by nonfarm</td>
<td>573076003</td>
<td>3.8</td>
<td>nonfinancial corporations</td>
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</tbody>
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### F.119 Private Pension Funds—Continued

<table>
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<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
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<tr>
<td><strong>21. Change in unidentified miscellaneous assets of private pension funds</strong></td>
<td>573093003</td>
<td><strong>13.7</strong></td>
<td>Year-end level estimated from FOF Section tabulation of data (provided on tape by DOL) from IRS/DOL/PBGC Form 5500, Annual Return/Report of Employee Benefit Plan, sum of lines 31b(2)-(4), Receivables other than employer contributions receivable, net of line 31b(5), Allowance for doubtful accounts; plus lines 31c(6), Partnership/joint venture interests, 31c(9B), Loans to participants, other, 31c(10), Other loans, 31c(17), Other general investments, less Loans held by private pension funds under security repurchase agreements (FOF series 572050003, line 7 above) and Municipal securities held by private pension funds (573062003, line 13 above); plus portions of lines 31c(11), Value of interest in common/collective trusts, 31c(13), Value of interest in master trusts, and 31c(14), Value of interest in 103-12 investment entities, allocated using the distribution of nonpooled assets. Data are annual and are available with a lag of several years; series is converted to quarterly and estimated for current periods using Independent Consultants Cooperative data on employee benefit plans obtained from Bankers Trust Company. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td><strong>22. Change in pension fund reserve liabilities of private pension funds</strong></td>
<td>573150005</td>
<td><strong>86.4</strong></td>
<td>Equal to line 2 net of line 1, plus line 3. In FOF tables of outstanding values, the series is equal to the value of tangible and financial assets. The series is a component of total pension fund reserves and an asset of the households and nonprofit organizations sector.</td>
</tr>
</tbody>
</table>
Table F.120  State and Local Government Employee Retirement Funds

The state and local government employee retirement funds sector consists of retirement systems that are sponsored by a recognized unit of government as defined by the Bureau of the Census and whose members are public employees compensated with public funds. The sector includes retirement funds of both state governments and local government entities such as counties, municipalities, townships, school districts, and special districts. Each retirement system is a separately identifiable fund, financed at least in part with public contributions. Pension funds that are supported solely by employee contributions are excluded from the sector; also excluded are assets administered by insurance companies or the Teachers Insurance and Annuity Association-College Retirement Equities Fund that provide public employee retirement coverage without any contribution or supplemental coverage administered by a government entity. In addition, deferred compensation plans administered in accordance with Internal Revenue Code section 457 are not included.

About half of the retirement funds’ assets are held in the form of corporate equities; other assets are in the form of corporate, government, and agency bonds and other financial instruments. The assets are assumed to be held for the benefit of the households and nonprofit organizations sector, so the funds’ only liability is pension fund reserves, equal to the total of the funds’ tangible and financial assets; the item appears as an asset on the households and nonprofit organizations sector statement.

In the national income and product accounts (NIPA), saving by retirement funds is treated as government saving, but in the flow of funds accounts it is considered to be household saving. To shift this portion of government saving to the households and nonprofit organizations sector, an amount equal to the net acquisition of financial assets by the funds is deducted from the saving of state and local governments and added to the NIPA figure for personal saving.1

Data on the assets of the sector are obtained primarily from two Bureau of the Census publications, the annual Finances of Employee- Retirement Systems of State and Local Governments and the Quarterly Survey of Finances of Public-Employee Retirement Systems. Other information comes from the Bureau of Economic Analysis (BEA) and the Department of Housing and Urban Development (HUD).

1. In October 1999, the NIPA treatment of government pension fund reserves was changed and now corresponds closely to the flow of funds version.
### F.120 State and Local Government Employee Retirement Funds

Billions of dollars

<table>
<thead>
<tr>
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<td>1</td>
<td>FA226330063 Gross saving</td>
<td>0.6</td>
<td>0.7</td>
<td>1.2</td>
<td>1.2</td>
<td>1.3</td>
<td>1.4</td>
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<td>2</td>
<td>FA225013063 Fixed nonresidential investment</td>
<td>1.7</td>
<td>1.6</td>
<td>2.2</td>
<td>1.2</td>
<td>1.4</td>
<td>1.6</td>
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<td>3</td>
<td>FA224090005 Net acquisition of financial assets</td>
<td>55.7</td>
<td>54.9</td>
<td>57.6</td>
<td>56.2</td>
<td>57.3</td>
<td>79.2</td>
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<td>4</td>
<td>FA223020000 Checkable deposits and currency</td>
<td>1.8</td>
<td>0.5</td>
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<td>-2.0</td>
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<td>5</td>
<td>FA223030005 Time and savings deposits</td>
<td>-2.3</td>
<td>2.7</td>
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<td>-0.9</td>
<td>0.1</td>
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<td>6</td>
<td>FA222050000 Security RPs</td>
<td>2.9</td>
<td>-0.1</td>
<td>5.8</td>
<td>6.3</td>
<td>0.7</td>
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<td>7</td>
<td>FA224040005 Credit market instruments</td>
<td>14.4</td>
<td>22.7</td>
<td>22.3</td>
<td>27.5</td>
<td>45.9</td>
<td>36.6</td>
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<td>8</td>
<td>FA223069100 Open market paper</td>
<td>2.9</td>
<td>-0.1</td>
<td>5.8</td>
<td>6.3</td>
<td>0.7</td>
<td>-2.6</td>
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<td>9</td>
<td>FA223061000 U.S. government securities</td>
<td>-11.8</td>
<td>10.8</td>
<td>15.1</td>
<td>24.6</td>
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<td>18.3</td>
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<td>FA223061100 Treasury</td>
<td>0.3</td>
<td>15.2</td>
<td>8.0</td>
<td>4.8</td>
<td>14.7</td>
<td>14.3</td>
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<td>11</td>
<td>FA223061700 Agency</td>
<td>-12.1</td>
<td>-4.4</td>
<td>7.1</td>
<td>19.8</td>
<td>13.0</td>
<td>4.0</td>
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<td>FA223062003 Municipal securities</td>
<td>0.2</td>
<td>0.2</td>
<td>-0.3</td>
<td>0.1</td>
<td>0.0</td>
<td>0.7</td>
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<td>13</td>
<td>FA223063000 Corporate and foreign bonds</td>
<td>23.6</td>
<td>13.7</td>
<td>1.2</td>
<td>-4.2</td>
<td>16.7</td>
<td>19.3</td>
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<td>14</td>
<td>FA223065005 Mortgages</td>
<td>-0.4</td>
<td>-1.9</td>
<td>0.7</td>
<td>0.7</td>
<td>0.8</td>
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<td>FA223064075 Corporate equities</td>
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<td>44.3</td>
<td>29.3</td>
<td>41.3</td>
<td>52.2</td>
<td>53.5</td>
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<td>16</td>
<td>FA223093005 Miscellaneous assets</td>
<td>18.0</td>
<td>-15.2</td>
<td>5.2</td>
<td>-16.0</td>
<td>-42.1</td>
<td>-8.8</td>
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<tr>
<td>17</td>
<td>FA223150005 Pension fund reserves (liabilities)</td>
<td>56.7</td>
<td>55.7</td>
<td>58.6</td>
<td>56.1</td>
<td>57.4</td>
<td>99.5</td>
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</table>

(1) Equal to the net acquisition of tangible and financial assets less gross saving (line 2 + line 3 - line 1). These liabilities are assets of the household sector.
## F.120 State and Local Government Employee Retirement Funds

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
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<tbody>
<tr>
<td>1. Gross saving of state and local government employee retirement funds,</td>
<td>226330063</td>
<td>1.4</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions M1NFI611EQ00, insurance carriers (M1NFI631EQ00), and holding and other investment offices (M1NFI671EQ00), plus Structures for commercial and mutual depository institutions (M1NFI6B1ST00), nondepository institutions (M1NFI611ST00), insurance carriers (M1NFI631ST00), and holding and other investment offices (M1NFI671ST00); the sum is multiplied by the ratio of consumption of fixed nonresidential structures capital by insurance carriers to consumption of fixed nonresidential equipment and structures capital by insurance carriers, and multiplied by the ratio of tangible assets reported by state and local government employee retirement funds to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994-Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships. State and local government employee retirement funds are assumed to have no equipment.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
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<tr>
<td>2. Fixed nonresidential structures investment by state and local government employee retirement funds</td>
<td>225013063</td>
<td>1.6</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NF16B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NF1611EQ00), insurance carriers (I3NF1631EQ00), and holding and other investment offices (I3NF1671EQ00), plus Structures for commercial and mutual depository institutions (I3NF16B1ST00), nondepository institutions (I3NF1611ST00), insurance carriers (I3NF1631ST00), and holding and other investment offices (I3NF1671ST00); the sum is multiplied by the ratio of investment in nonresidential structures by insurance carriers to investment in equipment and nonresidential structures by insurance carriers, and multiplied by the ratio of tangible assets reported by state and local government employee retirement funds to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using NIPA total investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. State and local government employee retirement funds are assumed to have no equipment.</td>
</tr>
<tr>
<td>3. Net acquisition of financial assets by state and local government employee retirement funds</td>
<td>224090005</td>
<td>79.2</td>
<td>Sum of lines 4, 5, 6, 7, 15, and 16.</td>
</tr>
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</table>
### F.120 State and Local Government Employee Retirement Funds—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tbody>
<tr>
<td>4. Change in checkable deposits and currency held by state and local government employee retirement funds</td>
<td>223020000</td>
<td>.7</td>
<td>Fiscal-year-end level from Employee-Retirement Systems of State and Local Governments, table 1, National Summary of State and Local Government Employee-Retirement System Finances, Cash and demand deposits. Data were formerly published annually, with a lag of several years; latest volume available is part of the 1992 quinquennial Census of Governments. Series is converted to quarterly and estimated for current quarters using data from Quarterly Survey of the Finances of Public-Employee Retirement Systems (provided by Bureau of the Census), part II, line A.1, Cash on hand and demand deposits. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<tr>
<td>5. Change in time and savings deposits held by state and local government employee retirement funds</td>
<td>223030005</td>
<td>−.2</td>
<td>Line 5a less line 4.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                ọ</td>
</tr>
<tr>
<td>5a. Change in holdings of cash balances reported by state and local government employee retirement funds</td>
<td>223024003</td>
<td>.5</td>
<td>Fiscal-year-end level from Employee-Retirement Systems of State and Local Governments, table 1, National Summary of State and Local Government Employee-Retirement System Finances, Time, savings deposits, and nonfederal short-term investments, allocated among cash balances, security repurchase agreements, and open market paper using distribution of assets reported in Quarterly Survey of the Finances of Public-Employee Retirement Systems (data provided by Bureau of the Census). Data were formerly published annually, with a lag of several years; latest volume available is part of the 1992 quinquennial Census of Governments. Series is converted to quarterly and estimated for current periods using data from quarterly survey cited above, part II, sum of line A.1, Cash on hand and demand deposits, and line A.2, Time or savings deposits. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>Component</td>
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<tr>
<td>6. Change in outstanding loans held by state and local government employee retirement funds under security repurchase agreements</td>
<td>222050000</td>
<td>-2.6</td>
<td>Fiscal-year-end level from Employee-Retirement Systems of State and Local Governments, table 1, National Summary of State and Local Government Employee-Retirement System Finances, Time, savings deposits, and nonfederal short-term investments, allocated among cash balances, security repurchase agreements, and open market paper using distribution of assets reported in Quarterly Survey of the Finances of Public-Employee Retirement Systems (data provided by Bureau of the Census); estimated as one-half the portion of the total not allocated to cash balances. Data were formerly published annually, with a lag of several years; latest volume available is part of the 1992 quinquennial Census of Governments. Series is converted to quarterly and estimated for current periods using data from the quarterly survey cited above, part II, line A.3, 50 percent of All other short-term investments. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<tr>
<td>7. Change in credit market assets of state and local government employee retirement funds</td>
<td>224004005</td>
<td>36.6</td>
<td>Sum of lines 8, 9, 12, 13, and 14.</td>
</tr>
<tr>
<td>8. Change in open market paper held by state and local government employee retirement funds</td>
<td>223069100</td>
<td>-2.6</td>
<td>Fiscal-year-end level from Employee Retirement Systems of State and Local Governments, table 1, National Summary of State and Local Government Employee-Retirement System Finances, Time, savings deposits, and nonfederal short-term investments, allocated among cash balances, security repurchase agreements, and open market paper using the distribution of assets reported in Quarterly Survey of the Finances of Public-Employee Retirement Systems (data provided by Bureau of the Census); estimated as one-half the portion of the total not allocated to cash balances. Data were formerly published annually, with a lag of several years; latest volume available is part of the 1992 quinquennial Census of Governments. Series is converted to quarterly and estimated for current periods using data from the quarterly survey cited above, part II, line A.3, 50 percent of All other short-term investments. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
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</table>
## F.120 State and Local Government Employee Retirement Funds—Continued

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<tr>
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<tbody>
<tr>
<td>9. Change in U.S. government securities held by state and local government employee retirement funds</td>
<td>223061005</td>
<td>18.3</td>
<td>Sum of lines 10 and 11.</td>
</tr>
<tr>
<td>10. Change in U.S. Treasury securities held by state and local government employee retirement funds</td>
<td>223061103</td>
<td>14.3</td>
<td>Fiscal-year-end level from Employee-Retirement Systems of State and Local Governments, table I, National Summary of State and Local Government Employee-Retirement System Finances, U.S. Treasury securities. Data were formerly published annually, with a lag of several years; latest volume available is part of the 1992 quinquennial Census of Governments. Series is converted to quarterly and estimated for current periods using data from Quarterly Survey of the Finances of Public-Employee Retirement Systems (provided by Bureau of the Census), part II, line B.1, Federal securities. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>11. Change in U.S. government agency securities held by state and local government employee retirement funds</td>
<td>223061703</td>
<td>4.0</td>
<td>Fiscal-year-end level from Employee-Retirement Systems of State and Local Governments, table I, National Summary of State and Local Government Employee-Retirement System Finances, Federal agency securities; plus Corporate bonds, allocated between U.S. government agency securities and corporate bonds using the distribution of assets reported in Quarterly Survey of the Finances of Public-Employee Retirement Systems (data provided by Bureau of the Census). Data were formerly published annually, with a lag of several years; latest volume available is part of the 1992 quinquennial Census of Governments. Series is converted to quarterly and estimated for current periods using data from the quarterly survey cited above, part II, sum of line B.2, Federal agency securities, and line B.3, Federally sponsored agency securities. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>12. Change in municipal securities held by state and local government employee retirement funds</td>
<td>223062003</td>
<td>.7</td>
<td>Fiscal-year-end level from Employee-Retirement Systems of State and Local Governments, table 1, National Summary of State and Local Government Employee-Retirement System Finances, State and local government securities. Data were formerly published annually, with a lag of several years; latest volume available is part of the 1992 quinquennial Census of Governments. Series is converted to quarterly and estimated for current periods using data from Quarterly Survey of the Finances of Public-Employee Retirement Systems (provided by Bureau of the Census), part II, line F.1, Securities of state and local governments. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>13. Change in corporate and foreign bonds held by state and local government employee retirement funds</td>
<td>223063000</td>
<td>19.3</td>
<td>Fiscal-year-end level from Employee-Retirement Systems of State and Local Governments, table 1, National Summary of State and Local Government Employee-Retirement System Finances, Corporate bonds, allocated between U.S. government agency securities and corporate bonds using the distribution of assets reported in Quarterly Survey of the Finances of Public-Employee Retirement Systems (data provided by Bureau of the Census). Data were formerly published annually, with a lag of several years; latest volume available is part of the 1992 quinquennial Census of Governments. Series is converted to quarterly and estimated for current periods using data from the quarterly survey cited above, part II, section C, Corporate bonds, balance at end of quarter. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>14. Change in mortgages held by state and local government employee retirement funds</td>
<td>223065005</td>
<td>.9</td>
<td>Sum of lines 14a, 14b, 14c, and 14d.</td>
</tr>
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</table>
### F.120 State and Local Government Employee Retirement Funds—Continued

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<thead>
<tr>
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<tbody>
<tr>
<td>14a. Change in home mortgages held by state and local government employee retirement funds</td>
<td>223065103</td>
<td>.6</td>
<td>Unadjusted flow from HUD Survey of Mortgage Lending Activity, table 3, Quarterly Gross Flows of Long-Term Mortgage Loans, column Net change, State and local retirement funds, One-to four-family homes. Level is obtained by adding flow to preceding level; series is part of FR Bulletin, table 1.54, line 74, Mortgages on one-to four-family residences held by individuals and others. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>14b. Change in multifamily residential mortgages held by state and local government employee retirement funds</td>
<td>223065403</td>
<td>.3</td>
<td>Unadjusted flow from HUD Survey of Mortgage Lending Activity, table 3, Quarterly Gross Flows of Long-Term Mortgage Loans, column Net change, State and local retirement funds, Multifamily. Level is obtained by adding flow to preceding level; series is part of FR Bulletin, table 1.54, line 75, Mortgages on multifamily residences held by individuals and others. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>14c. Change in commercial mortgages held by state and local government employee retirement funds</td>
<td>223065503</td>
<td>*</td>
<td>Unadjusted flow from HUD Survey of Mortgage Lending Activity, table 3, Quarterly Gross Flows of Long-Term Mortgage Loans, column Net change, State and local retirement funds, Nonresidential. Level is obtained by adding flow to preceding level; series is part of FR Bulletin, table 1.54, line 76, Mortgages on nonfarm, nonresidential properties held by individuals and others. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>14d. Change in farm mortgages held by state and local government employee retirement funds</td>
<td>223065603</td>
<td>.0</td>
<td>Unadjusted flow from HUD Survey of Mortgage Lending Activity, table 3, Quarterly Gross Flows of Long-Term Mortgage Loans, column Net change, State and local retirement funds, Farm properties. Level is obtained by adding flow to preceding level; series is part of FR Bulletin, table 1.54, line 77, Mortgages on farm properties held by individuals and others. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>15. Net purchases of corporate equities by state and local government</td>
<td>223064075</td>
<td>53.5</td>
<td>Equal to line 15a. In FOF tables of values of assets outstanding held by state and local government employee retirement funds, the level of corporate equities is the level for line 15a revalued to market prices using 1 plus the percentage change (expressed in decimal form) in the NYSE Composite Index of Common Stock Prices.</td>
</tr>
<tr>
<td>15a. Net purchases of corporate equities by state and local government</td>
<td>223064003</td>
<td>53.5</td>
<td>Level at book value from Quarterly Survey of Finances of Public Employee Retirement Systems, part II, section D, Corporate stocks, balance at end of quarter. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>16. Change in unidentified miscellaneous assets of state and local</td>
<td>223093005</td>
<td>−8.8</td>
<td>Residual value calculated as line 16a less changes in identified assets (lines 4, 5, 6, 7, 15, and 16b).</td>
</tr>
<tr>
<td>16a. Change in total assets reported by state and local government</td>
<td>224090003</td>
<td>79.9</td>
<td>Unadjusted flow from Quarterly Survey of the Finances of Public-Employee Retirement Systems (data provided by Bureau of the Census), part I, sum of line A.1, Employee contributions, line A.2, Government contributions, line A.3, Earnings on investments, and line A.4, Other receipts, less the sum of line B.1, Benefits paid, line B.2, Withdrawals, and line B.3, Other payments. Level is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>16b. Change in tangible assets of state and local government</td>
<td>225013103</td>
<td>.7</td>
<td>Fiscal-year-end level from Employee-Retirement Systems of State and Local Governments, table 1, National Summary of State and Local Government Employee-Retirement System Finances, Real property. Data were formerly published annually, with a lag of several years; latest volume available is part of the 1992 quinquennial Census of Governments. Series is converted to quarterly and estimated for current periods using data from Quarterly Survey of the Finances of Public-Employee Retirement Systems, part II, line G.1, Real property. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### F.120 State and Local Government Employee Retirement Funds—Continued

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<tbody>
<tr>
<td>17. Change in pension fund reserve liabilities of state and local</td>
<td>223150005</td>
<td>79.5</td>
<td>Equal to line 2 net of line 1, plus line 3. In FOF tables of values of assets outstanding held by state and local government employee retirement funds, the level for this series is equal to the value of tangible and financial assets. The series is a component of total pension fund reserves.</td>
</tr>
</tbody>
</table>
Money market mutual funds are investment companies that invest in short-term, liquid assets in order to provide money-market rates of return to investors; they are open-end investment companies that are allowed to issue an unlimited number of shares and are required to redeem all shares at net asset value. Introduced during the 1970s, money market mutual funds may be general funds or may specialize in municipal securities, which provide income exempt from federal taxes; they may also specialize in either institutional or "retail" (individual investor) clientele.

All money market mutual funds must comply with Rule 2a-7 of the Investment Company Act of 1940, which seeks to limit the risk of money market mutual funds. The rule places restrictions on the average maturity of a fund’s portfolio (ninety days or less), on the proportion of its securities holdings with less than the highest rating (no more than 5 percent of assets), and on the concentration of the fund’s assets in the securities of any single issuer (no more than 5 percent of assets).

Because many money market mutual funds allow their investors to write checks against their accounts, balances in the funds are components of the monetary aggregates (measures of the national money supply published by the Federal Reserve Board); fund balances are not insured by any federal agency, however. Data for the sector in the flow of funds accounts are based on reports made by the funds to the Investment Company Institute.

Table F.121  Money Market Mutual Funds

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Billions of dollars</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>1 Net acquisition of financial assets</td>
<td>4.5</td>
<td>20.2</td>
<td>43.3</td>
<td>142.3</td>
<td>145.8</td>
<td>157.6</td>
</tr>
<tr>
<td>2 Foreign deposits</td>
<td>-1.2</td>
<td>-10.3</td>
<td>5.7</td>
<td>4.0</td>
<td>3.4</td>
<td>0.1</td>
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<tr>
<td>3 Checkable deposits and currency</td>
<td>-2.4</td>
<td>1.4</td>
<td>-1.3</td>
<td>-1.0</td>
<td>2.4</td>
<td>2.6</td>
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<tr>
<td>4 Time and savings deposits</td>
<td>-0.5</td>
<td>-2.8</td>
<td>-0.5</td>
<td>20.9</td>
<td>30.4</td>
<td>28.6</td>
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<tr>
<td>5 Security RPs</td>
<td>-1.0</td>
<td>0.4</td>
<td>2.4</td>
<td>19.0</td>
<td>16.0</td>
<td>22.8</td>
</tr>
<tr>
<td>6 Credit market instruments</td>
<td>4.7</td>
<td>20.4</td>
<td>30.0</td>
<td>86.5</td>
<td>88.8</td>
<td>87.5</td>
</tr>
<tr>
<td>7 Open market paper</td>
<td>-17.0</td>
<td>-9.1</td>
<td>22.7</td>
<td>48.4</td>
<td>38.4</td>
<td>62.1</td>
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<td>8 U.S. government securities</td>
<td>13.8</td>
<td>14.5</td>
<td>-3.9</td>
<td>17.5</td>
<td>31.3</td>
<td>-9.5</td>
</tr>
<tr>
<td>9 Treasury</td>
<td>0.2</td>
<td>1.0</td>
<td>-13.3</td>
<td>3.8</td>
<td>20.3</td>
<td>-4.0</td>
</tr>
<tr>
<td>10 Agency</td>
<td>13.6</td>
<td>13.5</td>
<td>9.4</td>
<td>13.7</td>
<td>11.0</td>
<td>-5.5</td>
</tr>
<tr>
<td>11 Municipal securities</td>
<td>5.4</td>
<td>9.6</td>
<td>7.8</td>
<td>14.3</td>
<td>16.8</td>
<td>22.5</td>
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<tr>
<td>12 Corporate and foreign bonds</td>
<td>2.5</td>
<td>5.4</td>
<td>3.4</td>
<td>6.4</td>
<td>2.4</td>
<td>12.5</td>
</tr>
<tr>
<td>13 Miscellaneous assets</td>
<td>5.0</td>
<td>11.0</td>
<td>6.9</td>
<td>12.8</td>
<td>4.8</td>
<td>16.0</td>
</tr>
<tr>
<td>14 Net share issues (liabilities)</td>
<td>4.5</td>
<td>20.2</td>
<td>45.3</td>
<td>142.3</td>
<td>145.8</td>
<td>157.6</td>
</tr>
</tbody>
</table>

(1) Open-end investment companies; excludes funding vehicles for variable annuities, which are included in the life insurance companies sector (table F.117).
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<tr>
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<tbody>
<tr>
<td>1. Net acquisition of financial assets by money market mutual funds</td>
<td>634000005</td>
<td>157.6</td>
<td>Sum of lines 2, 3, 4, 5, 6, and 13.</td>
</tr>
<tr>
<td>2. Change in foreign deposits held by money market mutual funds</td>
<td>633091003</td>
<td>.1</td>
<td>Level from Trends in Mutual Fund Activity, table 8, Monthly Statistics of Taxable Money Market Funds, Eurodollar certificates of deposit, less an adjustment for variable annuity plans invested in money market mutual fund shares based on unpublished data from ICI. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>3. Change in checkable deposits and currency held by money market mutual funds</td>
<td>633020003</td>
<td>2.6</td>
<td>Level from Trends in Mutual Fund Activity, table 8, Month-End Portfolio Holdings of Taxable Money Market Funds, Cash reserves less liabilities, less an adjustment for variable annuity plans invested in money market mutual fund shares based on unpublished data from ICI. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>4. Change in time and savings deposits held by money market mutual funds</td>
<td>633030003</td>
<td>28.6</td>
<td>Level from Trends in Mutual Fund Activity, table 8, Month-End Portfolio Holdings of Taxable Money Market Funds, Certificates of deposit plus a percentage of Other assets, less an adjustment for variable annuity plans invested in money market mutual fund shares based on unpublished data from ICI. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>5. Change in outstanding loans held by money market mutual funds under security repurchase agreements</td>
<td>632050000</td>
<td>22.8</td>
<td>Level from Trends in Mutual Fund Activity, table 8, Month-End Portfolio Holdings of Taxable Money Market Funds, Repurchase agreements, less an adjustment for variable annuity plans invested in money market mutual fund shares based on unpublished data from ICI. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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</tr>
<tr>
<td>6. Change in credit market assets of money market mutual funds</td>
<td>634002005</td>
<td>87.5</td>
<td>Sum of lines 7, 8, 11, and 12.</td>
</tr>
<tr>
<td>7. Change in open market paper held by money market mutual funds</td>
<td>633069175</td>
<td>62.1</td>
<td>Sum of lines 7a and 7b.</td>
</tr>
<tr>
<td>7a. Change in bankers acceptances held by money market mutual funds</td>
<td>633069603</td>
<td>2.6</td>
<td>Level from Trends in Mutual Fund Activity, table 8, Month-End Portfolio Holdings of Taxable Money Market Funds, Bankers acceptances, less an adjustment for variable annuity plans invested in money market mutual fund shares based on unpublished data from ICI. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>7b. Change in commercial paper held by money market mutual funds</td>
<td>633069700</td>
<td>59.5</td>
<td>Level from Trends in Mutual Fund Activity, table 8, Month-End Portfolio Holdings of Taxable Money Market Funds, Commercial paper, less an adjustment for variable annuity plans invested in money market mutual fund shares based on unpublished data from ICI. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>8. Change in U.S. government securities held by money market mutual funds</td>
<td>633061005</td>
<td>−9.5</td>
<td>Sum of lines 9 and 10.</td>
</tr>
<tr>
<td>9. Change in U.S. Treasury securities held by money market mutual funds</td>
<td>633061100</td>
<td>−4.0</td>
<td>Level from Trends in Mutual Fund Activity, table 8, Month-End Portfolio Holdings of Taxable Money Market Funds, sum of U.S. Treasury bills and Other Treasury securities, less an adjustment for variable annuity plans invested in money market mutual fund shares based on unpublished data from ICI. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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</table>
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<tbody>
<tr>
<td>10. Change in U.S. government agency securities held by money market mutual funds</td>
<td>633061703</td>
<td>-5.5</td>
<td>Level from Trends in Mutual Fund Activity, table 8, Month-End Portfolio Holdings of Taxable Money Market Funds, U.S. government agency securities, Other U.S. securities, less an adjustment for variable annuity plans invested in money market mutual fund shares based on unpublished data from ICI. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>11. Change in net assets of short-term municipal bond funds</td>
<td>633062440</td>
<td>22.5</td>
<td>Level from Trends in Mutual Fund Activity, table 2C, Monthly Statistics of Mutual Funds, Money Market Mutual Funds, column Tax-exempt money market funds, Total net assets, plus a percentage of table 8, Month-End Portfolio Holdings of Taxable Money Market Funds, Other assets, less an adjustment for variable annuity plans invested in money market mutual fund shares based on unpublished data from ICI. Percentage of Other assets is based on unpublished data from ICI. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>12. Change in corporate and foreign bonds held by money market mutual funds</td>
<td>633063003</td>
<td>12.5</td>
<td>Level from Trends in Mutual Fund Activity, table 8, Month-End Portfolio Holdings of Taxable Money Market Funds, sum of Bank notes and Corporate notes, less an adjustment for variable annuity plans invested in money market mutual fund shares based on unpublished data from ICI. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>13. Change in unidentified miscellaneous assets of money market mutual funds</td>
<td>633093005</td>
<td>16.0</td>
<td>Residual value calculated as line 13a less changes in identified assets (lines 2, 3, 4, 5, 7, 8, and 12).</td>
</tr>
<tr>
<td>13a. Change in total net assets reported by money market mutual funds</td>
<td>634000000</td>
<td>135.1</td>
<td>Level from Trends in Mutual Fund Activity, table 8, Monthly Statistics of Taxable Money Market Funds, Total net assets, less an adjustment for variable annuity plans invested in money market mutual fund shares based on unpublished data from ICI. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
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</table>
F.121 Money Market Mutual Funds—Continued

<table>
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<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>14. Net increase in liabilities of money market mutual funds, equal to their net share issues</td>
<td>634000005</td>
<td>157.6</td>
<td>Equal to line 1. Also equal to the sum of lines 11 and 13a.</td>
</tr>
</tbody>
</table>
Table F.122  Mutual Funds

Mutual funds are investment companies that purchase financial assets using funds obtained mainly through the issuance of shares. Many of the funds have specific investment objectives, such as current income or capital appreciation, and many specialize in a certain type of financial security, such as municipal securities, growth stocks, or stocks issued by companies in particular industries or particular areas of the world. Funds have also tailored their operations to needs of different types of investors, with some offering low initial investment requirements, automatic investment by deduction from deposits, and regular newsletters giving information about current financial conditions; some funds are members of “families” operated by the same management company, allowing shareholders to transfer their investments readily among funds that have different objectives and investment styles. More than 5,000 mutual funds are currently operating in the U.S. They have become an increasingly popular form of investment among individual investors and, in the aggregate, appear to have become a substitute for directly held bonds, equity shares, and deposits.

Mutual funds are also known as open-end investment companies because they are permitted to issue an unlimited number of shares; they are required by law to redeem the shares at net asset value. The net asset value of an individual investor’s share in a mutual fund is determined by the market value of the underlying assets. Shareholders receive returns through pass-throughs of current interest and dividends, distributions of realized capital gains, and accumulation of unrealized capital gains.

In the flow of funds accounts, the mutual funds sector covers all open-end investment companies (including unit investment trusts) that report to the Investment Company Institute (ICI) except money market mutual funds and limited-maturity municipal bond funds (which make up the money market mutual funds sector, shown in table F.121) and funding vehicles for variable annuities (which are included in the life insurance companies sector, shown in table F.117). The sector also excludes hedge funds.
### Table F.122  Mutual Funds (1)

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Gross saving</td>
<td>3.0</td>
<td>4.3</td>
<td>-11.5</td>
<td>9.0</td>
<td>5.7</td>
</tr>
<tr>
<td>2</td>
<td>Net acquisition of financial assets</td>
<td>190.5</td>
<td>292.0</td>
<td>100.6</td>
<td>147.4</td>
<td>237.6</td>
</tr>
<tr>
<td>3</td>
<td>Security RPs</td>
<td>9.7</td>
<td>16.8</td>
<td>4.4</td>
<td>7.1</td>
<td>-2.7</td>
</tr>
<tr>
<td>4</td>
<td>Credit market instruments</td>
<td>126.2</td>
<td>159.5</td>
<td>-7.1</td>
<td>52.5</td>
<td>48.9</td>
</tr>
<tr>
<td>5</td>
<td>Open market paper</td>
<td>9.7</td>
<td>16.8</td>
<td>4.4</td>
<td>7.1</td>
<td>-3.1</td>
</tr>
<tr>
<td>6</td>
<td>U.S. government securities</td>
<td>56.8</td>
<td>49.2</td>
<td>-10.4</td>
<td>18.9</td>
<td>15.1</td>
</tr>
<tr>
<td>7</td>
<td>Treasury</td>
<td>36.0</td>
<td>31.4</td>
<td>-6.8</td>
<td>11.2</td>
<td>8.9</td>
</tr>
<tr>
<td>8</td>
<td>Agency</td>
<td>20.8</td>
<td>17.9</td>
<td>-3.6</td>
<td>7.7</td>
<td>6.2</td>
</tr>
<tr>
<td>9</td>
<td>Municipal securities</td>
<td>28.7</td>
<td>42.9</td>
<td>-4.3</td>
<td>3.2</td>
<td>3.1</td>
</tr>
<tr>
<td>10</td>
<td>Corporate and foreign bonds</td>
<td>31.0</td>
<td>50.6</td>
<td>3.2</td>
<td>23.3</td>
<td>33.8</td>
</tr>
<tr>
<td>11</td>
<td>Corporate equities</td>
<td>59.8</td>
<td>115.3</td>
<td>100.8</td>
<td>87.4</td>
<td>193.0</td>
</tr>
<tr>
<td>12</td>
<td>Miscellaneous assets</td>
<td>-5.2</td>
<td>0.3</td>
<td>2.5</td>
<td>0.5</td>
<td>-1.7</td>
</tr>
<tr>
<td>13</td>
<td>Net share issues (liabilities)</td>
<td>190.5</td>
<td>292.0</td>
<td>100.6</td>
<td>147.4</td>
<td>237.6</td>
</tr>
<tr>
<td>14</td>
<td>Discrepancy</td>
<td>3.0</td>
<td>4.3</td>
<td>-11.5</td>
<td>9.0</td>
<td>5.7</td>
</tr>
<tr>
<td>15</td>
<td>Capital gains dividends</td>
<td>22.2</td>
<td>36.1</td>
<td>30.0</td>
<td>54.6</td>
<td>101.1</td>
</tr>
</tbody>
</table>

(1) Open-end investment companies; excludes funding vehicles for variable annuities, which are included in the life insurance companies sector (table F.117).
## F.122 Mutual Funds

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gross saving of mutual funds, equal to their undistributed profits</td>
<td>656006003</td>
<td>4.9</td>
<td>Seasonally adjusted flow from special tabulation of undistributed profits of mutual funds provided once a year by BEA. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>2. Net acquisition of financial assets by mutual funds</td>
<td>654090005</td>
<td>265.1</td>
<td>Sum of lines 3, 4, 11, and 12.</td>
</tr>
<tr>
<td>3. Change in outstanding loans held by mutual funds under security repurchase agreements</td>
<td>652050003</td>
<td>10.3</td>
<td>Level from ICI Supplementary Data, tables Composition of Net Assets for all categories of funds, 50 percent of line 10, Cash and receivables minus liabilities, less an adjustment for variable annuity plans based on unpublished data from ICI. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>4. Change in credit market assets of mutual funds</td>
<td>654004005</td>
<td>80.9</td>
<td>Sum of lines 5, 6, 9, and 10.</td>
</tr>
<tr>
<td>5. Change in open market paper held by mutual funds</td>
<td>653069100</td>
<td>10.6</td>
<td>Level from ICI Supplementary Data, tables Composition of Net Assets for all categories of funds, 50 percent of line 10, Cash and receivables minus liabilities, less an adjustment for variable annuity plans based on unpublished data from ICI. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------</td>
<td>---------</td>
<td>----------------------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>6. Change in U.S. government securities held by mutual funds</td>
<td>653061003</td>
<td>19.5</td>
<td>Level from ICI Supplementary Data, tables Composition of Net Assets for all categories of funds, line 6, Short-term U.S. government securities; plus Long-term U.S. government securities, at book value, estimated by FOF Section as level from preceding time period plus net purchases of long-term U.S. government securities (unpublished data provided by ICI). Unadjusted flow equal to change in level of short-term U.S. government securities plus net purchases of long-term U.S. government securities. Level and unadjusted flow are both net of an adjustment for variable annuity plans based on unpublished data from ICI. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>7. Change in U.S. Treasury securities held by mutual funds</td>
<td>653061105</td>
<td>11.0</td>
<td>Line 6 less line 8.</td>
</tr>
<tr>
<td>8. Change in U.S. government agency securities held by mutual funds</td>
<td>653061703</td>
<td>8.4</td>
<td>Unadjusted flow is FOF Section estimate based on change in U.S. government securities held by mutual funds. Level is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>9. Change in municipal securities held by mutual funds</td>
<td>653062003</td>
<td>6.5</td>
<td>Level from ICI Supplementary Data, tables Composition of Net Assets for all categories of funds, line 9, Short-term municipal bonds; plus Long-term municipal bonds, at book value, estimated by FOF Section as level from preceding time period plus net purchases of long-term municipal bonds (unpublished data provided by ICI). Unadjusted flow equal to change in the level of short-term municipal bonds plus net purchases of long-term municipal bonds. Level and unadjusted flow are both net of an adjustment for variable annuity plans based on unpublished data provided by ICI. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
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</table>
F.122 Mutual Funds—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>10. Change in corporate and foreign bonds held by mutual funds</td>
<td>653063003</td>
<td>44.4</td>
<td>Unadjusted flow equal to net purchases of other long-term securities and corporate bonds (unpublished data from ICI), less an adjustment for variable annuity plans based on unpublished data from ICI. Level is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>11. Net purchases of corporate equities by mutual funds</td>
<td>653064000</td>
<td>166.8</td>
<td>Level at market value from ICI Supplementary Data, tables Composition of Net Assets for all categories of funds, sum of line 1, Common stock, line 2, Preferred stock, and line 3, Warrants and rights. Unadjusted flow from Trends in Mutual Fund Activity, table 7A, Total Common Stock Portfolio Activity of Long-Term Mutual Funds, column Net purchases, Totals for Long-Term Funds, sum for three months of quarter; plus ICI unpublished data on net purchases of preferred stock. Level and unadjusted flow are both net of an adjustment for variable annuity plans based on unpublished data from ICI. Seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>12. Change in unidentified miscellaneous assets of mutual funds</td>
<td>653093003</td>
<td>7.1</td>
<td>Level from ICI Supplementary Data, tables Composition of Net Assets for all categories of funds, sum of line 4, Options, and line 11, Other assets, less an adjustment for variable annuity plans based on unpublished data provided by ICI. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>13. Net issuance of mutual fund shares</td>
<td>653164005</td>
<td>265.1</td>
<td>Estimated as equal to line 2.</td>
</tr>
<tr>
<td>14. Discrepancy for mutual funds, equal to gross saving less gross investment</td>
<td>657005005</td>
<td>4.9</td>
<td>Sum of lines 1 and 13, less line 2. The discrepancy is a use of funds in the FOF accounts.</td>
</tr>
<tr>
<td>15. Memorandum item: Capital gains dividends paid by mutual funds</td>
<td>656120000</td>
<td>183.2</td>
<td>Unadjusted flow from ICI Supplementary Data, table Equity and Bond and Income Funds, Supplementary Open-End Company Statistics, Capital gains distributions. Seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
</tbody>
</table>
Closed-end funds, also called publicly traded funds, are investment companies that, like mutual funds, purchase various kinds of financial assets in order to achieve a specific objective such as long-term growth. Closed-end funds have a long history in financial markets, and several funds currently operating have been in existence since the late 1920s; at the end of 1997 there were about 500 in operation.

Unlike mutual funds, closed-end funds generally do not issue additional shares after the initial public offering and are not required by law to redeem outstanding shares. Shares of closed-end funds are traded in the market along with other corporate equities at prices determined by the market; shares that trade at a price above the net asset value are said to be trading at a premium, and those that trade at a price below the net asset value, at a discount. Data on the assets and liabilities of closed-end funds are provided by the Investment Company Institute (ICI).

### Table F.123  Closed-End Funds

<table>
<thead>
<tr>
<th>F.A554090005</th>
<th>Net acquisition of financial assets</th>
<th>20.2</th>
<th>23.7</th>
<th>2.4</th>
<th>5.9</th>
<th>3.2</th>
<th>-9.6</th>
</tr>
</thead>
<tbody>
<tr>
<td>F.A554004005</td>
<td>Credit market instruments</td>
<td>20.2</td>
<td>20.0</td>
<td>-3.7</td>
<td>10.5</td>
<td>4.7</td>
<td>-3.4</td>
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<tr>
<td>F.A553061103</td>
<td>U.S. government securities</td>
<td>1.7</td>
<td>2.1</td>
<td>-1.0</td>
<td>-1.5</td>
<td>0.2</td>
<td>-1.5</td>
</tr>
<tr>
<td>F.A553062003</td>
<td>Municipal securities</td>
<td>14.3</td>
<td>12.1</td>
<td>1.6</td>
<td>6.2</td>
<td>2.1</td>
<td>0.0</td>
</tr>
<tr>
<td>F.A553063003</td>
<td>Corporate and foreign bonds</td>
<td>4.2</td>
<td>5.8</td>
<td>-4.4</td>
<td>5.8</td>
<td>2.4</td>
<td>-2.0</td>
</tr>
<tr>
<td>F.A553064103</td>
<td>Corporate equities</td>
<td>-0.0</td>
<td>3.7</td>
<td>6.1</td>
<td>-4.6</td>
<td>-1.5</td>
<td>-6.2</td>
</tr>
<tr>
<td>F.A554090005</td>
<td>Net share issues (liabilities)</td>
<td>20.2</td>
<td>23.7</td>
<td>2.4</td>
<td>5.9</td>
<td>3.2</td>
<td>-9.6</td>
</tr>
<tr>
<td>Component</td>
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<td>Explanation</td>
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<td>-----------------------------------------------------------------------------</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>1. <strong>Net acquisition of financial assets by closed-end funds</strong></td>
<td>554090005</td>
<td>-9.6</td>
<td>Sum of lines 2 and 6.</td>
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</tr>
<tr>
<td>2. <strong>Change in credit market assets of closed-end funds</strong></td>
<td>554004005</td>
<td>-3.4</td>
<td>Sum of lines 3, 4, and 5.</td>
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<tr>
<td>3. <strong>Change in U.S. Treasury securities held by closed-end funds</strong></td>
<td>553061103</td>
<td>-1.5</td>
<td>Year-end level from ICI annual survey of closed-end funds, table Closed-End Fund Outstanding Assets, Domestic: Debt, government bond. Data are at market value; series is converted to quarterly market-value level on the basis of changes in end-of-quarter values in the Merrill Lynch U.S. Government Master Index (data obtained from the Bloomberg Service; before 1997:Q3, interpolations and conversions to market value were based on changes in the total Treasury bond index from the Lehman Brothers Bond Market Report). Quarterly book value estimated by dividing the market value by 1 plus the quarterly percentage change (expressed in decimal form) in the Merrill Lynch index. Level published in FOF statistical releases is at book value. Unadjusted flow is the change in the book-value level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Current-quarter data are estimated by FOF Section on the basis of gross issuance of closed-end fund shares.</td>
<td></td>
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</table>
### F.123 Closed-End Funds—Continued

<table>
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<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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</thead>
<tbody>
<tr>
<td>4. Change in municipal securities held by closed-end funds</td>
<td>553062003</td>
<td>*</td>
<td>Year-end level from ICI annual survey of closed-end funds, table Closed-End Fund Outstanding Assets, sum of Domestic: Debt, Municipal bond—national, and Debt, municipal bond—single state. Data are at market value; series is converted to quarterly market-value level on the basis of changes in the end-of-quarter values in the Merrill Lynch Municipal Master Bond Index (data obtained from the Bloomberg Service; before 1997:Q3, interpolations and conversions to market value were based on changes in the total municipal bond index from the Lehman Brothers Municipal Bond Market Report). Quarterly book value estimated by dividing the market value by 1 plus the quarterly percentage change (expressed in decimal form) in the Merrill Lynch index. Level published in FOF releases is at book value. Unadjusted flow is the change in the book-value level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Current-quarter data are estimated by FOF Section on the basis of gross issuance of closed-end fund shares.</td>
</tr>
<tr>
<td>5. Change in corporate and foreign bonds held by closed-end funds</td>
<td>553063003</td>
<td>-2.0</td>
<td>Year-end level from ICI annual survey of closed-end funds, table Closed-End Fund Outstanding Assets, sum of Domestic: Convertible, Flexible portfolio, and Debt, mixed bond; Foreign: Multi-country debt and Single-country debt; and Global: Debt. Data are at market value; series is converted to quarterly market-value level on the basis of changes in the end-of-quarter values in the Merrill Lynch U.S. Corporate Master Index (data obtained from the Bloomberg Service; before 1997:Q3, interpolations and conversions to market value were based on changes in the total corporate bond index from the Lehman Brothers Bond Market Report). Quarterly book value estimated by dividing the market value by 1 plus the quarterly percentage change (expressed in decimal form) in the Merrill Lynch index. Level published in FOF releases is at book value. Unadjusted flow is the change in the book-value level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Current-quarter data are estimated by FOF Section on the basis of gross issuance of closed-end fund shares.</td>
</tr>
</tbody>
</table>
Table F.123—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>6. Net purchases of corporate equities by closed-end funds</td>
<td>553064103</td>
<td>−6.2</td>
<td>Year-end level from ICI annual survey of closed-end funds, table Closed-End Fund Outstanding Assets, sum of Domestic: Equity dual-purpose, Equity growth, Equity growth and income, Equity income, Equity specialized, and Equity utilities; Foreign: Multicountry equity growth, Multicountry equity growth and income, Multicountry equity income, Single-country equity growth, and Single-country equity growth and income; and Global: Equity. Data are at market value; series is converted to quarterly market-value level on the basis of changes in the end-of-quarter values in the Wilshire 5000 Equity Index. Quarterly book value estimated by dividing the market value by 1 plus the quarterly percentage change (expressed in decimal form) in the Wilshire index. Unadjusted flow is the change in the book-value level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Level published in FOF releases is at market value. Current-quarter data are estimated by FOF Section on the basis of gross issuance of closed-end fund shares.</td>
</tr>
<tr>
<td>7. Net issues of corporate equities by closed-end funds, equal to their net increase in liabilities</td>
<td>554090005</td>
<td>−9.6</td>
<td>Estimated as equal to line 1.</td>
</tr>
</tbody>
</table>
Government-sponsored enterprises are financial institutions that provide credit to specific groups or areas of the economy, such as farmers or housing. The sector comprises the Federal Home Loan Banks, Fannie Mae, Freddie Mac, Sallie Mae (Student Loan Marketing Association, since 1997 a subsidiary of SLM Holding Corporation, a private company), the Farm Credit System, Financing Corporation (FICO), and Resolution Funding Corporation (REFCORP). Some of the enterprises were originally agencies within the federal government, but federal ownership equity in them has been retired and they are now considered private financial institutions; FICO and REFCORP are mixed-ownership government corporations established to serve as financing vehicles for the FSLIC Resolution Fund and the Resolution Trust Corporation respectively. Some have maintained legal ties to the U.S. government by having board members who are federal officials or by maintaining emergency lines of credit with the Department of the Treasury, or both.

In the flow of funds accounts, the securities issued by the agencies are identified as U.S. government agency obligations; they frequently trade at prices more favorable than those of securities issued by corporations that do not have an association with the federal government.

Data for the sector are compiled from balance sheets published by the individual agencies.
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>1</td>
<td>FA406000105 Gross saving</td>
<td>1.5</td>
<td>1.7</td>
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<td>2.0</td>
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<td>2</td>
<td>FA405013003 Fixed nonresidential investment</td>
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<td>FA404090005 Net acquisition of financial assets</td>
<td>55.5</td>
<td>78.8</td>
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<td>115.1</td>
<td>91.7</td>
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<td>4</td>
<td>FA403020003 Checkable deposits and currency</td>
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<td>FA402050003 Federal funds and security RPs</td>
<td>-1.0</td>
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<td>35.4</td>
<td>20.5</td>
<td>-11.8</td>
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<td>6</td>
<td>FA404002005 Credit market instruments</td>
<td>68.8</td>
<td>87.8</td>
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<td>FA403069600 Open market paper</td>
<td>2.7</td>
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<td>8</td>
<td>FA403061005 U.S. government securities</td>
<td>30.2</td>
<td>11.2</td>
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<td>63.4</td>
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<td>FA403061105 Treasury</td>
<td>17.9</td>
<td>-7.1</td>
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<td>FA403061703 Agency</td>
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<td>18.4</td>
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<td>FA403062005 Municipal securities</td>
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<td>FA403063003 Corporate and foreign bonds</td>
<td>0.0</td>
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<td>13</td>
<td>FA40306255 Other loans and advances</td>
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<td>FA403069225 Sallie Mae</td>
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<td>15</td>
<td>FA403069215 Farm Credit System</td>
<td>1.4</td>
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<td>16</td>
<td>FA403069203 FHLB loans</td>
<td>0.8</td>
<td>23.3</td>
<td>22.8</td>
<td>6.4</td>
<td>29.1</td>
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<td>17</td>
<td>FA403065003 Mortgages</td>
<td>32.1</td>
<td>41.3</td>
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<td>FA403065105 Home</td>
<td>30.5</td>
<td>39.8</td>
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<td>3.9</td>
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<td>19</td>
<td>FA403065403 Multifamily residential</td>
<td>1.6</td>
<td>1.7</td>
<td>0.9</td>
<td>0.6</td>
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<td>FA403065603 Farm</td>
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<td>21</td>
<td>FA403095005 Miscellaneous assets</td>
<td>-12.3</td>
<td>6.3</td>
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<td>9.7</td>
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<tr>
<td>22</td>
<td>FA404190005 Net increase in liabilities</td>
<td>52.7</td>
<td>75.7</td>
<td>147.3</td>
<td>111.8</td>
<td>90.7</td>
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<td>23</td>
<td>FA404020003 Credit market instruments</td>
<td>40.2</td>
<td>80.6</td>
<td>172.1</td>
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<td>FA404161703 GSE issues (2)</td>
<td>40.3</td>
<td>80.6</td>
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<td>105.9</td>
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<td>FA404169203 U.S. government loans</td>
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<td>26</td>
<td>FA404190005 Miscellaneous liabilities</td>
<td>12.5</td>
<td>-4.9</td>
<td>-24.9</td>
<td>5.8</td>
<td>0.3</td>
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<tr>
<td>27</td>
<td>FA407005005 Discrepancy</td>
<td>-1.7</td>
<td>-1.9</td>
<td>-2.2</td>
<td>-1.7</td>
<td>0.6</td>
<td>-3.1</td>
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</table>

(1) Federal Home Loan Banks, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Farm Credit System, the Financing Corporation, the Resolution Funding Corporation, and the Student Loan Marketing Association (Sallie Mae), which is a subsidiary of SLM Holding Corporation, a private company chartered in 1997.

(2) Such issues are classified as U.S. government securities.
## F.124 Government-Sponsored Enterprises

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gross saving of government-sponsored enterprises</td>
<td>406000105</td>
<td>2.0</td>
<td>Sum of lines 1a and 1b.</td>
</tr>
<tr>
<td>1a. Undistributed profits of government-sponsored enterprises</td>
<td>406006003</td>
<td>1.6</td>
<td>Seasonally adjusted flow from special tabulation of undistributed profits of GSEs provided once a year by BEA. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
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<tr>
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</tr>
<tr>
<td>1b. Consumption of fixed nonresidential capital by government-sponsored enterprises, with nonresidential structures and equipment valued at current cost</td>
<td>406330003</td>
<td>.4</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NF6B1EQ00; revisions and updates provided by BEA), nondepository institutions (M1NF631EQ00), insurance carriers (M1NF631EQ00), and holding and other investment offices (M1NF671EQ00); plus Structures for commercial and mutual depository institutions (M1NF6B1ST00), nondepository institutions (M1NF611ST00), insurance carriers (M1NF631ST00), and holding and other investment offices (M1NF671ST00). The sum is multiplied by the ratio of consumption of fixed nonresidential equipment capital by nondepository institutions to consumption of fixed nonresidential equipment and structures capital by nondepository institutions for the equipment component of the total, and by the ratio of consumption of fixed nonresidential structures capital to consumption of fixed nonresidential equipment and structures capital for the structures component; both are multiplied by the ratio of tangible assets reported by government-sponsored enterprises to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
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</tr>
<tr>
<td>2. Fixed nonresidential investment by government-sponsored enterprises</td>
<td>405013003</td>
<td>.4</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NFI6B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NFI611EQ00), insurance carriers (I3NFI631EQ00), and holding and other investment offices (I3NFI671EQ00); Structures for commercial and mutual depository institutions (I3NFI6B1ST00), nondepository institutions (I3NFI611ST00), insurance carriers (I3NFI631ST00), and holding and other investment offices (I3NFI671ST00). The sum is multiplied by the ratio of investment in equipment by nondepository institutions to investment in equipment and nonresidential structures by nondepository institutions for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets reported by government-sponsored enterprises to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>3. Net acquisition of financial assets by government-sponsored enterprises</td>
<td>404090005</td>
<td>110.8</td>
<td>Sum of lines 4, 5, 6, and 21.</td>
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</table>
### Table F.124—Continued

<table>
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<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
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<tr>
<td>4. Change in checkable deposits and currency held by government-sponsored enterprises</td>
<td>403020003</td>
<td>1.2</td>
<td>Level from FHLBs, Statements of Condition, column Combined, Cash and due from banks; plus, from Fannie Mae, Investor/Analyst Report, Balance Sheet, Cash and cash equivalents; plus, from Freddie Mac, Consolidated Balance Sheets, Cash and cash equivalents; plus, from Farm Credit System, Quarterly Information Statement, Condensed Combined Statement of Condition, Cash; plus, from Sallie Mae, Information Statement, Notes to Financial Statements, note 6, Cash and Investments, Cash. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>5. Change in outstanding federal funds sold by government-sponsored enterprises and in outstanding loans held by them under security repurchase agreements</td>
<td>402050003</td>
<td>-4.1</td>
<td>Level from FHLBs, Statements of Condition, column Combined, Investments and term federal funds sold, unpublished detail on Overnight federal funds sold, Term federal funds sold, and Securities purchased under resale agreements provided to FR Board by Federal Housing Finance Board; plus, from Fannie Mae, Investor/Analyst Report, Balance Sheet, sum of Investments and Cash and cash equivalents, multiplied by the ratio of the sum of Federal funds and Repurchase agreements to the sum of Cash and cash equivalents and Investments from Notes to Financial Statements in the most recent annual report; plus, from Freddie Mac, Consolidated Balance Sheets, sum of Securities purchased under agreements to resell and the product of Investments and the ratio of Federal funds to Investments from the section Notes to Financial Statements in the annual report that last showed federal funds separately; plus, from Farm Credit System, Quarterly Information Statement, Condensed Combined Statement of Condition, Federal funds sold and securities purchased under resale agreements; plus, from Sallie Mae, Information Statement, Notes to Consolidated Financial Statements, note 6, Cash and Investments, Federal funds and bank deposits (percentage of federal funds estimated by FOF Section). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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## F.124 Government-Sponsored Enterprises—Continued

<table>
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<th>Component</th>
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<tr>
<td>6. Change in credit market assets of government-sponsored enterprises</td>
<td>404002005</td>
<td>95.0</td>
<td>Sum of lines 7, 8, 11, 12, 13, and 17.</td>
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<tr>
<td>7. Change in open market paper held by government-sponsored enterprises</td>
<td>403069600</td>
<td>-1.1</td>
<td>Level from FHLBs, Statements of Condition, column Combined, Investments and term federal funds sold, unpublished detail provided to FR Board by Federal Housing Finance Board, sum of Commercial paper and bank notes, Certificates of deposit and Eurodollar deposits, and Bankers acceptances; plus, from Fannie Mae, Investor/Analyst Report, Balance Sheets, Investments, multiplied by the ratio of the sum of Commercial paper and Eurodollar time deposits to Total investments from Notes to Financial Statements, note 4, Investments, in the most recent annual report; plus, from Freddie Mac, Consolidated Balance Sheets, Investments, multiplied by the ratio of Eurodollar time deposits to Total investments from Notes to Financial Statements in the annual report that last showed Eurodollar time deposits separately; plus, from Sallie Mae, Information Statement, Notes to Consolidated Financial Statements, note 6, Cash and investments, Commercial paper. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>8. Change in U.S. government securities held by government-sponsored enterprises</td>
<td>403061005</td>
<td>69.1</td>
<td>Sum of lines 9 and 10.</td>
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<tr>
<td>9. Change in U.S. Treasury securities held by government-sponsored enterprises</td>
<td>403061105</td>
<td>7.1</td>
<td>Line 9a less lines 5, 7, 10, 11, and 12.</td>
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<td>Component</td>
<td>Code</td>
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<tr>
<td>9a. Change in cash and liquid assets of government-sponsored enterprises</td>
<td>404001003</td>
<td>63.5</td>
<td>Level from FHLBs, Statements of Condition, column Combined, sum of Cash and due from banks and Investments and term federal funds sold; plus, from Fannie Mae, Investor/Analyst Report, Balance Sheets, sum of Investments and Cash and cash equivalents, and from table Mortgage Portfolio Outstanding in same report, MBS in portfolio; plus, from Freddie Mac, Consolidated Balance Sheets, sum of Cash and cash equivalents, Investments, and Securities purchased under agreements to resell; plus, from Farm Credit System, Quarterly Information Statement, Condensed Combined Statement of Condition, sum of Cash, Federal funds sold and securities purchased under resale agreements, and Investments; plus, from FICO, Balance Sheet, sum of Cash and cash equivalents and Segregated account investments, net; plus, from REFCORP, Balance Sheet, sum of Cash and cash equivalents and Zero-coupon bond investments, net; plus, from Sallie Mae, Information Statement, Consolidated Balance Sheets, Cash and investments. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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</table>
### Component
10. Change in U.S. government agency securities held by government-sponsored enterprises

<table>
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<tr>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tr>
<td>403061703</td>
<td>62.0</td>
<td>Level from FHLBs, Statements of Condition, column Combined, Investments and term federal funds sold, unpublished detail on U.S. agency obligations and Mortgage-backed securities provided to FR Board by Federal Housing Finance Board; plus, from Fannie Mae, Investor/Analyst Report, Balance Sheets, Investments, multiplied by the ratio of Mortgage-backed securities from the text of the most recent annual report to Total investments from the section Notes to Financial Statements, note 4, Investments, in the same report, and from table Mortgage-Backed Securities Outstanding in the Investor/Analyst Report, MBS in portfolio; plus, from Freddie Mac, Consolidated Balance Sheets, table Total PCs and Multiclass Securities, PCs held in retained portfolio; plus, from Farm Credit System, Quarterly Information Statement, Condensed Combined Statement of Condition, Investments, multiplied by the ratio of the sum of U.S. agency securities and Mortgage-backed securities to total investments from the latest Farm Credit System Annual Information Statement, Notes to Combined Financial Statements, note 3, Investments; plus, from Sallie Mae, Information Statement, Notes to Financial Statements, note 6, Cash and Investments, Agency securities. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
</tr>
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</tr>
<tr>
<td>11a. Change in municipal securities held by government-sponsored enterprises</td>
<td>403062003</td>
<td>-.8</td>
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<tr>
<td>11b. Change in warehousing advances to state and local government agencies held by Sallie Mae</td>
<td>403062073</td>
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<tr>
<td>11c. Change in loans to nonprofit organizations and to state and local government agencies held by Sallie Mae to finance construction of academic facilities</td>
<td>403069163</td>
<td>-.1</td>
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</table>
F.124  Government-Sponsored Enterprises—Continued

<table>
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<tr>
<td>12. Change in corporate and foreign bonds held by government-sponsored enterprises</td>
<td>403063003</td>
<td>.3</td>
<td>Level from FHLBs, Statements of Condition, column Combined, Investments and term federal federal funds sold, unpublished detail on other non-mortgage-backed securities investments provided to FR Board by Federal Housing Finance Board; plus, from Fannie Mae, Investor/Analyst Report, Balance Sheets, Investments, multiplied by the ratio of the sum of Held to maturity, Asset-backed securities and Other held-to-maturity securities, and Available-for-sale securities, Asset-backed securities and Other available-for-sale securities, to Total investments from the section Notes to Financial Statements, note 4, Investments, in the most recent annual report; plus, from Freddie Mac, Consolidated Balance Sheets, Investments, multiplied by the ratio of Asset-backed securities to Total investments from Notes to Financial Statements, note 4, Investments, in the most recent annual report; plus, from Sallie Mae, Information Statement, Notes to Consolidated Financial Statements, note 6, Cash and Investments, sum of Asset-backed securities and Variable corporate bonds. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>13. Change in other loans and advances held by government-sponsored enterprises</td>
<td>403069255</td>
<td>31.2</td>
<td>Sum of lines 14, 15, and 16.</td>
</tr>
<tr>
<td>14. Change in other loans and advances held by Sallie Mae</td>
<td>403069225</td>
<td>−5.3</td>
<td>Line 14a less line 11b and less 50 percent of line 11c.</td>
</tr>
<tr>
<td>14a. Change in student loans held by Sallie Mae</td>
<td>403069153</td>
<td>−5.3</td>
<td>Level from Sallie Mae, Information Statement, Consolidated Balance Sheets, sum of Insured student loans purchased, Student loan participations, Insured student loans, Warehousing advances, and Academic facilities financings. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>15. Change in other loans and advances held by the Farm Credit System</td>
<td>403069215</td>
<td>.0</td>
<td>Sum of lines 15a and 15b.</td>
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</table>
### Table F124—Continued

<table>
<thead>
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<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tbody>
<tr>
<td>15a. Change in other loans and advances to nonfarm noncorporate business held by the Farm Credit System</td>
<td>113169253</td>
<td>0</td>
<td>Level from Farm Credit System, Quarterly Information Statement, Notes to Condensed Combined Financial Statements, note 2, Loans and allowance for loan losses, sum of Domestic loans to cooperatives and Loans made in connection with international transactions. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>15b. Change in other loans and advances to farm business held by the Farm Credit System</td>
<td>133169250</td>
<td>0</td>
<td>Level from Farm Credit System, Quarterly Information Statement, Notes to Condensed Combined Financial Statements, note 2, Loans and allowance for loan losses, Short- and intermediate-term loans to agricultural producers. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>16. Change in loans to financial institutions held by Federal Home Loan Banks</td>
<td>403069203</td>
<td>36.4</td>
<td>Level from FHLBs, Statements of Condition, column Combined, Advances to members and nonmember mortgagees. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>17. Change in mortgages held by government-sponsored enterprises</td>
<td>403065003</td>
<td>-3.8</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from reports from Fannie Mae, the Farm Credit System, and Freddie Mac; series can be calculated from FR Bulletin, table 1.54, Mortgages held by federal and related agencies, sum of line 44, FNMA, line 47, FLBs, and line 50, FHLMC. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>18. Change in home mortgages held by government-sponsored enterprises</td>
<td>403065105</td>
<td>-3.6</td>
<td>Line 17 less lines 19 and 20.</td>
</tr>
</tbody>
</table>

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Federal Reserve Bank of St. Louis
### F.124 Government-Sponsored Enterprises—Continued

<table>
<thead>
<tr>
<th>Component</th>
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<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>19. Change in multifamily residential mortgages held by government-sponsored enterprises</td>
<td>403065403</td>
<td>-1.2</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from reports from Fannie Mae and Freddie Mac; series can be calculated from FR Bulletin, table 1.54, Multifamily mortgages held by federal and related agencies, sum of line 46, FNMA, and line 52, FHLMC. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>20. Change in farm mortgages held by government-sponsored enterprises</td>
<td>403065603</td>
<td>1.0</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from the Farm Credit System; series is shown in FR Bulletin, table 1.54, line 49, Farm mortgages held by FLBs. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>21. Change in unidentified miscellaneous assets of government-sponsored enterprises</td>
<td>403093005</td>
<td>18.8</td>
<td>Residual value calculated as line 21a less changes in identified assets (lines 4, 9a, 14, 15, 16, 17, 21b, and 21c).</td>
</tr>
<tr>
<td>21. Change in total assets reported by government-sponsored enterprises</td>
<td>404090003</td>
<td>110.8</td>
<td>Level from FHLBs, Statements of Condition, column Combined, Total assets; plus, from Fannie Mae, Investor/Analyst Report, sum of Balance Sheets, Total assets, and Balance Sheet Details, Unamortized discount and fees; plus, from Freddie Mac, Consolidated Balance Sheets, Total assets less Purchase and sale premiums, discounts, and fees; plus, from Farm Credit System, Quarterly Information Statement, Condensed Combined Statement of Condition, Total assets; plus, from FICO, Balance Sheet, Long-term obligations, net; plus, from REFCORP, Balance Sheet, Long-term obligations, net; plus, from Sallie Mae, Information Statement, Consolidated Balance Sheets, Total assets. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
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</table>
### Table F.124—Continued

<table>
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<th>Component</th>
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</tr>
</thead>
<tbody>
<tr>
<td>21b. Change in real estate owned and occupied by government-sponsored enterprises and in equipment owned by them</td>
<td>405013410</td>
<td>.1</td>
<td>Level from FHLBs, Statements of Condition, column Combined, Bank premises and equipment, net of Accumulative depreciation and amortization; plus, from Farm Credit System, Annual Information Statement, Combined Statement of Condition, Premises and equipment, converted to quarterly by K-L method (data for years before 1985 from Annual Report of the Farm Credit Administration, sum for Federal Land Banks, Federal Intermediate Credit Banks, and Banks for Cooperatives). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure. The Farm Credit System was reorganized in 1985; for the FCS component of this series, the unadjusted flow for 1985:Q4 is the change in the level on the former basis, whereas the level for 1985:Q4 is on the new basis.</td>
</tr>
<tr>
<td>21c. Change in real estate held by government-sponsored enterprises for investment and acquired in satisfaction of debt</td>
<td>405013513</td>
<td>-.1</td>
<td>Level from Fannie Mae, Annual Report, Balance Sheet, Acquired property and foreclosure claims, net, converted to quarterly by K-L method; plus, from Freddie Mac, Consolidated Balance Sheets, Real estate owned, net; plus, from Farm Credit System, Annual Information Statement, Other property owned, converted to quarterly by K-L method (data for years before 1985 from Annual Report of the Farm Credit Administration, sum for Federal Land Banks, Federal Intermediate Credit Banks, and Banks for Cooperatives). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. The Farm Credit System was reorganized in 1985; for the FCS components of this series, the unadjusted flow for 1985:Q4 is the change in the level on the former basis, whereas the level for 1985:Q4 is on the new basis.</td>
</tr>
<tr>
<td>22. Net increase in liabilities of government-sponsored enterprises</td>
<td>404190005</td>
<td>106.2</td>
<td>Sum of lines 23 and 26.</td>
</tr>
<tr>
<td>23. Change in credit market debt of government-sponsored enterprises</td>
<td>404102005</td>
<td>98.4</td>
<td>Sum of lines 24 and 25.</td>
</tr>
</tbody>
</table>
### F.124 Government-Sponsored Enterprises—Continued

<table>
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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>24. Change in outstanding securities issued by government-sponsored</td>
<td>403161703</td>
<td>98.4</td>
<td>Level from FHLLBs, Statements of Condition, column Combined, Total consolidated obligations; plus, from Fannie Mae, Investor/Analyst Report, Balance Sheets, Debentures, notes, and bonds, net, sum of Due within one year and Due after one year; plus, from Freddie Mac, Consolidated Balance Sheets, sum of Total debt securities, net, and Subordinated borrowings; plus, from Farm Credit System, Quarterly Information Statement, Condensed Combined Statement of Condition, sum of Systemwide bonds and medium-term notes, Systemwide discount notes, Consolidated Bank Debt Securities and other bonds, and Financial Assistance Corporation bonds; plus, from FICO, Balance Sheet, Long-term obligations; plus, from REFCORP, Balance Sheet, Long-term obligations, net; plus, from Sallie Mae, Information Statement, Consolidated Balance Sheets, sum of Short-term borrowings and Long-term notes. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>enterprises</td>
<td></td>
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</tr>
<tr>
<td>25. Change in loans to Sallie Mae held by the federal government</td>
<td>403169203</td>
<td>0</td>
<td>Level from Monthly Treasury Statement, table 6, schedule C (Memorandum), column Account balances, Close of this month, Borrowing from the Federal Financing Bank, Department of Education: Student Loan Marketing Association. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1994:Q1 for levels and 1994:Q2 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>26. Change in total miscellaneous liabilities of government-sponsored</td>
<td>403190005</td>
<td>7.8</td>
<td>Sum of line 26a, change in equity investments of owning sectors (sum of lines 26b through 26f), and change in unidentified miscellaneous liabilities. Change in unidentified miscellaneous liabilities is a residual value calculated as change in reported total liabilities and net worth (equal to change in reported total assets, line 21a) less changes in identified liabilities and net worth (lines 24, 25, 26a, and 26g).</td>
</tr>
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</table>
### Table F.124—Continued

<table>
<thead>
<tr>
<th>Component</th>
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</tr>
</thead>
<tbody>
<tr>
<td>26a. Change in liabilities of Federal Home Loan Banks for deposits held by savings institutions</td>
<td>403191003</td>
<td>.0</td>
<td>Level from FHLBs, Statements of Condition, column Combined, Total deposits. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>26b. Change in equity in Fannie Mae held by nonfarm nonfinancial corporate business</td>
<td>123092003</td>
<td>-1.1</td>
<td>Level from Fannie Mae, Investor/Analyst Report, Balance Sheets, Total stockholders’ equity less Retained earnings. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>26c. Change in equity in the Farm Credit System held by nonfarm noncorporate business</td>
<td>113092003</td>
<td>.0</td>
<td>Level from Farm Credit System, Quarterly Information Statement, Condensed Combined Statement of Condition, Capital stock and participation certificates; nonfarm noncorporate business proportion estimated to be equal to the ratio of loans made to nonfarm noncorporate business to total nonmortgage loans. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>26d. Change in equity in the Farm Credit System held by farm business</td>
<td>133092003</td>
<td>.0</td>
<td>Level from Farm Credit System, Quarterly Information Statement, Condensed Combined Statement of Condition, Capital stock and participation certificates; farm business portion estimated from percentage of total nonmortgage loans. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
</tbody>
</table>
### F.124 Government-Sponsored Enterprises—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>26e. Change in equity in government-sponsored enterprises held by the federal government</td>
<td>313092303</td>
<td>0</td>
<td>Year-end level from Treasury Bulletin, former table Corporations and Other Business-Type Activities, U.S. interest, Capital stock. Data are annual; series is converted to quarterly by FOF Section estimate. Unadjusted flow is the change in the level. The federal government formerly held equity investments in Federal Land Banks, retired in 1947; in Federal Home Loan Banks, retired in 1951; and in Banks for Cooperatives, Federal Intermediate Credit Banks, and Federal National Mortgage Association (Fannie Mae), all retired in 1968. (Federal Land Banks, Banks for Cooperatives, and Federal Intermediate Credit Banks are now part of the Farm Credit System.) Quarterly values for the series are zero beginning 1968:Q4 for levels and 1969:Q1 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>26f. Change in equity in Federal Home Loan Banks</td>
<td>403192403</td>
<td>1.8</td>
<td>Level from FHLBs, Statements of Condition, column Combined, Capital stock outstanding. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>26g. Change in net worth reported by government-sponsored enterprises</td>
<td>405080003</td>
<td>5.3</td>
<td>Level from FHLBs, Statements of Condition, column Combined, Total capital; plus, from Fannie Mae, Investor/Analyst Report, Balance Sheets, Total stockholders’ equity; plus, from Freddie Mac, Consolidated Balance Sheets, Stockholders’ equity; plus, from Farm Credit System, Quarterly Information Statement, Condensed Combined Statement of Condition, Total capital; plus, from Sallie Mae, Information Statement, Consolidated Balance Sheets, Total stockholders’ equity. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>27. Discrepancy for government-sponsored enterprises, equal to gross saving less gross investment</td>
<td>407005005</td>
<td>−3.1</td>
<td>Sum of lines 1 and 22, less lines 2 and 3. The discrepancy is a use of funds in the FOF accounts.</td>
</tr>
</tbody>
</table>
The federally related mortgage pools sector consists of entities established for bookkeeping purposes by several federally related agencies—Government National Mortgage Association (Ginnie Mae), Fannie Mae, Freddie Mac, and the agency formerly known as Farmers Home Administration (FmHA; now part of the Farm Service Agency in the Department of Agriculture)—to hold “pools,” or packages, of mortgages having similar features.1 (The mortgages are originally held by the agencies but are removed from their balance sheets when the pools are formed.) Rather than being composed of a group of institutions, the sector is made up of a set of legal or contractual arrangements; the entities are similar to those that make up the issuers of asset-backed securities sector (table F.126).

The pools issue securities known as mortgage-pool securities, which are the liabilities of the sector; the agencies that originally held the mortgages do not bear any liability for the securities. These obligations are largely pass-through securities (purchasers receive interest, amortization, and principal payments on the underlying mortgages). They are included in totals published in the flow of funds accounts for U.S. government agency securities (see table F.210).

Estimates of the value of the mortgages held by the pools are based on information obtained from various government sources. In the flow of funds accounts, the volume of mortgage-pool securities is assumed to be equal to the value of the securities that they hold.

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1. Certain obligations issued by FmHA (called certificates of beneficial ownership) that were sold to the Federal Financing Bank, an agency included in the U.S. government sector, were reallocated from FmHA mortgage pools to FmHA mortgage holdings in 1986:Q4 because of accounting changes by FmHA.

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### Table F.125 Federally Related Mortgage Pools

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<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>1 FA41306500S Net acquisition of financial assets</td>
<td>115.6</td>
<td>84.7</td>
<td>115.4</td>
<td>98.2</td>
<td>141.1</td>
<td>114.4</td>
</tr>
<tr>
<td>2 FA41306510S Home mortgages</td>
<td>117.8</td>
<td>86.1</td>
<td>115.4</td>
<td>93.7</td>
<td>135.5</td>
<td>109.1</td>
</tr>
<tr>
<td>3 FA41306540S Multifamily residential mortgages</td>
<td>-2.3</td>
<td>-1.4</td>
<td>-0.0</td>
<td>-0.0</td>
<td>-0.0</td>
<td>-0.0</td>
</tr>
<tr>
<td>4 FA41306560S Farm mortgages</td>
<td>-0.0</td>
<td>-0.0</td>
<td>-0.0</td>
<td>-0.0</td>
<td>-0.0</td>
<td>-0.0</td>
</tr>
<tr>
<td>5 FA41306500S Net increase in pool securities (liabilities)(2)</td>
<td>115.6</td>
<td>84.7</td>
<td>115.4</td>
<td>98.2</td>
<td>141.1</td>
<td>114.4</td>
</tr>
</tbody>
</table>

(1) GNMA, FNMA, FHLMC, and Farmers Home Administration pools. Also includes federally related pools that are used as collateral for federally related agency-issued CMOs and privately issued CMOs. Excludes Federal Financing Bank holdings of pool securities, which are included with federal government mortgages and other loans.

(2) Such issues are classified as U.S. government securities.
### Table F.125  Federally Related Mortgage Pools

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Net acquisition of financial assets by federally related mortgage pools, equal to the change in their holdings of mortgages</td>
<td>413065005</td>
<td>114.4</td>
<td>Sum of lines 2, 3, and 4.</td>
</tr>
<tr>
<td>2. Change in home mortgages held by federally related mortgage pools</td>
<td>413065105</td>
<td>109.1</td>
<td>Line 2a less lines 2b, 2c, 2d, 2e, 3, and 4.</td>
</tr>
<tr>
<td>2a. Change in mortgages held by mortgage pools</td>
<td>353065003</td>
<td>114.4</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from various institutional and government sources; series can be calculated from FR Bulletin, table 1.54, line 53, Mortgage pools or trusts, less line 68, Private mortgage conduits. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>2b. Change in home mortgages held by the Federal Financing Bank</td>
<td>343065103</td>
<td>0.0</td>
<td>Level from USDA, Farmers Home Administration (now part of the Farm Service Agency), Finance Office, unpublished table Loans Outstanding under Farmers Home Program, Nonfarm mortgage debt on family housing, sum of Loans receivable held by investors and Certificates of beneficial ownership; this figure is multiplied by the ratio of Farmers Home Administration loans held by the Federal Financing Bank (unpublished data on agency loans purchased are provided to FR Board by the Department of the Treasury) net of the sum of Loans receivable held by investors and Certificates of beneficial ownership for Mortgage debt on nonfarm commercial property and Nonmortgage debt, from the Farmers Home Administration table cited above, to the sum of Loans receivable and Certificates of beneficial ownership for Farm mortgage debt, Nonfarm mortgage debt on family housing, and Nonfarm mortgage debt on multifamily housing, from the same table. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1986:Q4 for levels and 1987:Q1 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### F.125 Federally Related Mortgage Pools—Continued

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<tbody>
<tr>
<td>2c. Change in multifamily residential mortgages held by the Federal Financing Bank</td>
<td>343065403</td>
<td>.0</td>
<td>Level from USDA, Farmers Home Administration (now part of the Farm Service Agency), Finance Office, unpublished table Loans Outstanding under Farmers Home Program, Nonfarm mortgage debt on multifamily housing, sum of Loans receivable held by investors and Certificates of beneficial ownership; this figure is multiplied by the ratio of Farmers Home Administration loans held by the Federal Financing Bank (unpublished data on agency loans purchased are provided to FR Board by the Department of the Treasury) net of the sum of Loans receivable held by investors and Certificates of beneficial ownership for Mortgage debt on nonfarm commercial property and Nonmortgage debt, from the Farmers Home Administration table cited above, to the sum of Loans receivable and Certificates of beneficial ownership for Farm mortgage debt, Nonfarm mortgage debt on family housing, and Nonfarm mortgage debt on multifamily housing, from the same table. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1986:Q4 for levels and 1987:Q1 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>2d. Change in commercial mortgages held by the Federal Financing Bank</td>
<td>343065503</td>
<td>.0</td>
<td>Level from USDA, Farmers Home Administration (now part of the Farm Service Agency), Finance Office, unpublished table Loans Outstanding under Farmers Home Program, Mortgage debt on nonfarm commercial property, sum of Loans receivable held by investors and Certificates of beneficial ownership. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1986:Q4 for levels and 1987:Q1 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
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<td>---------------------------------------------------------------------------</td>
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</tr>
<tr>
<td>2e. Change in farm mortgages held by the Federal Financing Bank</td>
<td>343065603</td>
<td>.0</td>
<td>Level from USDA, Farmers Home Administration (now part of the Farm Service Agency), Finance Office, unpublished table Loans Outstanding under Farmers Home Program, Farm mortgage debt, sum of Loans receivable held by investors and Certificates of beneficial ownership; this figure is multiplied by the ratio of Farmers Home Administration loans held by the Federal Financing Bank (unpublished data on agency loans purchased are provided to FR Board by the Department of the Treasury) net of the sum of Loans receivable held by investors and Certificates of beneficial ownership for Mortgage debt on nonfarm commercial property and Nonmortgage debt, from the Farmers Home Administration table cited above, to the sum of Loans receivable and Certificates of beneficial ownership for Farm mortgage debt, Nonfarm mortgage debt on family housing, and Nonfarm mortgage debt on multifamily housing, from the same table. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1986:Q4 for levels and 1987:Q1 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>3. Change in multifamily residential mortgages held by federally related mortgage pools</td>
<td>413065405</td>
<td>5.3</td>
<td>Line 3a less line 2e.</td>
</tr>
<tr>
<td>3a. Change in multifamily residential mortgages held by mortgage pools</td>
<td>353065403</td>
<td>5.3</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from various government sources and reports from Fannie Mae and Freddie Mac; series can be calculated from FR Bulletin, table 1.54, Multifamily mortgages held by mortgage pools or trusts excluding private mortgage conduits; sum of line 56, GNMA, line 59, FHLMC, line 62, FNMA, and line 65, FmHA. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>4. Change in farm mortgages held by federally related mortgage pools</td>
<td>413065605</td>
<td>*</td>
<td>Line 4a less line 2e.</td>
</tr>
</tbody>
</table>
### F.125 Federally Related Mortgage Pools—Continued

<table>
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<th>1997 value (billion of dollars)</th>
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</thead>
<tbody>
<tr>
<td>4a. Change in farm mortgages held by mortgage pools</td>
<td>353065603</td>
<td>*</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from the Farmers Home Administration (now part of the Farm Service Agency); series is shown in FR Bulletin, table 1.54, Farm mortgages held by mortgage pools or trusts excluding private mortgage conduits, line 67, FmHA, Farm. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>5. Net increase in liabilities of federally related mortgage pools,</td>
<td>413065005</td>
<td>114.4</td>
<td>Estimated as equal to line 1.</td>
</tr>
</tbody>
</table>
Issuers of asset-backed securities are “special-purpose vehicles” (SPVs), entities established by contractual arrangement to hold assets and to issue debt obligations backed by the assets; the SPVs are similar to federally related mortgage pools in that they are not actual institutions, but are created for bookkeeping purposes. The financial assets of the sector are federally related mortgage pool securities and various types of loans, including student and business loans, mortgages, consumer credit (such as automobile loans and credit card receivables), and trade credit. These assets, often referred to as securitized assets, have been transferred from the balance sheets of the institutions that originated the loans (in most cases commercial banks, thrift institutions, and finance companies) to the balance sheets of the SPVs.

Another asset of the sector is motor vehicles leased to consumers; the leases were originally held by finance companies but have now been securitized. Acquisitions of the automobiles by the issuers of asset-backed securities sector, shown as fixed investment in line 2 of table F.126, occurs when the leases are securitized and the automobiles are removed from the balance sheets of the finance companies. The leases themselves are not financial assets of the sector or of the original finance-company lessor and are not liabilities of the household sector; rather, lease payments are treated as consumer expenditures by the lessee and as current income of the issuers of asset-backed securities sector.

The obligations issued by the SPVs in conjunction with the asset transfers are typically medium- to long-term corporate bonds as well as commercial paper; they represent claims against the assets that have been pooled to serve as collateral. The originators of the assets receive cash proceeds from the sale of the obligations and may continue to service the loans, thereby earning fee income.

The principal sources of information on the sector are the publications Inside MBS and ABS and Commercial Mortgage Alert; reports from Sallie Mae; data obtained from Trepp/PSA CMO Information Service; quarterly reports of condition submitted by domestic commercial banks; and surveys of finance companies.
## Table F.126  Issuers of Asset-Backed Securities

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<tr>
<td>1 FA676330023 Gross saving</td>
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<td>2 FA675013023 Fixed nonresidential investment</td>
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<td>0.6</td>
<td>1.7</td>
<td>6.4</td>
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<tr>
<td>3 FA674090005 Net acquisition of financial assets</td>
<td>61.3</td>
<td>83.6</td>
<td>72.7</td>
<td>139.8</td>
<td>148.8</td>
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<td>4 FA673061705 Agency securities (1)</td>
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<td>7.1</td>
<td>11.7</td>
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<td>5 FA673069005 Other loans and advances</td>
<td>2.9</td>
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<td>4.3</td>
<td>6.9</td>
<td>13.3</td>
<td>32.2</td>
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<tr>
<td>6 FA673069153 Student loans</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>1.0</td>
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<tr>
<td>7 FA673069505 Loans to business</td>
<td>2.9</td>
<td>9.7</td>
<td>4.3</td>
<td>5.9</td>
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<td>8 FA673065005 Mortgages (2)</td>
<td>63.1</td>
<td>45.5</td>
<td>38.9</td>
<td>35.0</td>
<td>60.6</td>
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<tr>
<td>9 FA673065103 Home</td>
<td>51.8</td>
<td>32.9</td>
<td>23.7</td>
<td>19.3</td>
<td>34.1</td>
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<td>10 FA673065403 Multifamily residential</td>
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<td>2.4</td>
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<tr>
<td>11 FA673065503 Commercial</td>
<td>8.7</td>
<td>10.3</td>
<td>12.1</td>
<td>11.9</td>
<td>20.1</td>
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<td>12 FA673066000 Consumer credit</td>
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<td>15.6</td>
<td>65.6</td>
<td>54.2</td>
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<td>14 FA674190005 Net increase in liabilities</td>
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<td>83.6</td>
<td>72.9</td>
<td>141.1</td>
<td>153.6</td>
<td>204.4</td>
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<td>15 FA673169100 Commercial paper</td>
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<td>12.4</td>
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<td>45.4</td>
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<td>16 FA673163005 Corporate bonds</td>
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<td>60.5</td>
<td>103.8</td>
<td>108.2</td>
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<td>17 FA677005005 Discrepancy</td>
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<td>0.0</td>
<td>0.0</td>
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<tr>
<td>18 FA67501203 Securitized consumer leases not included above (3)</td>
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<td>0.0</td>
<td>0.3</td>
<td>1.3</td>
<td>5.3</td>
<td>2.1</td>
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</tbody>
</table>

### Memo:
- Securitized consumer leases not included above (3)
- Federally related mortgage pool securities backing privately issued CMOs.
- Mortgages backing privately issued pool securities and privately issued CMOs.
- Receivables from operating leases, such as consumer automobile leases, are booked as current income when payments are received and are not included in financial assets (or household liabilities). The leased automobile is a tangible asset; depreciation flows are included in line 1, and fixed investment flows are included in line 2.
F.126 Issuers of Asset-Backed Securities

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gross saving of issuers of asset-backed securities, equal to their consumption of fixed nonresidential equipment capital, with nonresidential equipment valued at current cost</td>
<td>676330023</td>
<td>1.5</td>
<td>Seasonally adjusted flow estimated by multiplying consumption of fixed nonresidential equipment capital by finance companies, with nonresidential equipment valued at current cost, by the ratio of the level of nonresidential equipment owned by issuers of asset-backed securities to the level of nonresidential equipment owned by finance companies, both valued at current cost, for the same quarter. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Issuers of asset-backed securities are assumed to own no tangible assets other than motor vehicles that collateralize consumer leases.</td>
</tr>
<tr>
<td>2. Fixed nonresidential equipment investment (acquisition of automobiles that collateralize securitized consumer motor vehicle leases) by issuers of asset-backed securities</td>
<td>675013023</td>
<td>3.6</td>
<td>Unadjusted flow estimated as the change in equipment held by issuers of asset-backed securities (equal to change in motor vehicle leases, FOF series 675013203, line 18 below) plus consumption of fixed nonresidential equipment capital by issuers of asset-backed securities (676330023, line 1 above). Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>3. Net acquisition of financial assets by issuers of asset-backed securities</td>
<td>674090005</td>
<td>202.3</td>
<td>Sum of lines 4, 5, 8, 12, and 13.</td>
</tr>
<tr>
<td>4. Change in U.S. government agency securities held by issuers of asset-backed securities</td>
<td>673061705</td>
<td>-7.2</td>
<td>Equal to change in collateralized mortgage obligations outstanding owed by issuers of asset-backed securities (line 4a plus line 4b net of line 4c) less change in mortgages held by issuers of asset-backed securities (line 9 net of line 4d, plus lines 10 and 11). The agency securities held by issuers of asset-backed securities are federally related mortgage pool securities.</td>
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</table>
### Table F.126—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>4a. Change in mortgage-backed security obligations of issuers of asset-backed securities</td>
<td>673165773</td>
<td>11.3</td>
<td>Level from Inside MBS and ABS, table Outstanding Mortgage Securities by Type, column Private MBSs, less estimated private pool CMOs, which are assumed to be included in CMO data obtained by FR Board, Financial Institutions Section, from commercial sources. Private pool CMO estimate is obtained by multiplying total private pool securities by the CMO proportion of agency-backed mortgage pool securities. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>4b. Gross issuance of collateralized mortgage obligations by issuers of asset-backed securities</td>
<td>673163263</td>
<td>50.6</td>
<td>Unadjusted flow from commercial sources via FR Board, Capital Markets Section, CMO gross issuance. Level is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>4c. Retirements of collateralized mortgage obligations by issuers of asset-backed securities</td>
<td>673163273</td>
<td>12.4</td>
<td>Level is FOF Section estimate based on Trepp/PSA CMO data obtained from Muller Data Corporation. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>4d. Change in home equity loans held by issuers of asset-backed securities</td>
<td>673065123</td>
<td>37.1</td>
<td>Level is obtained from the Bloomberg Service. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>5. Change in other loans and advances held by issuers of asset-backed securities</td>
<td>673069005</td>
<td>32.2</td>
<td>Sum of lines 6 and 7.</td>
</tr>
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### F.126 Issuers of Asset-Backed Securities—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>6. Change in student loans sold by Sallie Mae (government-sponsored enterprises sector) to issuers of asset-backed securities</td>
<td>673069153</td>
<td>7.8</td>
<td>Level from Sallie Mae, Information Statement, Notes to Consolidated Financial Statements, note 9, Student loan securitization. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. These loans are liabilities of the households and nonprofit organizations sector.</td>
</tr>
<tr>
<td>7. Change in business loans held by issuers of asset-backed securities</td>
<td>673069505</td>
<td>24.4</td>
<td>Sum of lines 7a and 7b.</td>
</tr>
<tr>
<td>7a. Change in business loans held by issuers of asset-backed securities, originated by finance companies</td>
<td>673069503</td>
<td>9.9</td>
<td>Level from FR Board, Financial Institutions Section, monthly G.20 statistical release, Finance Companies, Owned and Managed Receivables, section Not Seasonally Adjusted, Securitized business assets, sum of Motor vehicles, Equipment, and Other business receivables. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>7b. Change in business loans held by issuers of asset-backed securities, originated by banks</td>
<td>673069513</td>
<td>14.5</td>
<td>Level estimated by FR Board, Banking and Money Markets Statistics Section, on the basis of data from reports submitted to regulatory authorities and information reported in the financial press. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>8. Change in mortgages held by issuers of asset-backed securities</td>
<td>673065005</td>
<td>93.7</td>
<td>Sum of lines 9, 10, and 11.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
<tr>
<td>-----------</td>
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<td>----------------------------------</td>
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<tr>
<td>9. Change in home mortgages held by issuers of asset-backed securities</td>
<td>673065103</td>
<td>56.1</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from Inside MBS and ABS, table Mortgage-Related Security Issuance Outstanding, Outstanding private MBS/CMOs; series also includes data on securitized home equity loans from the Bloomberg Service (until 1997:Q3 data were obtained from Moody’s Investors Service). Series is shown in FR Bulletin, table 1.54, line 69, One- to four-family mortgages held by private mortgage conduits. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>10. Change in multifamily residential mortgages held by issuers of asset-backed securities</td>
<td>673065403</td>
<td>7.3</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data on commercial-mortgage-backed securities issuance from Commercial Mortgage Alert. Series is shown in FR Bulletin, table 1.54, line 70, Multifamily mortgages held by private mortgage conduits. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>11. Change in commercial mortgages held by issuers of asset-backed securities</td>
<td>673065503</td>
<td>30.3</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data on commercial-mortgage-backed securities issuance from Commercial Mortgage Alert. Series is shown in FR Bulletin, table 1.54, line 71, Nonfarm, nonresidential mortgages held by private mortgage conduits. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>12. Change in consumer credit held by issuers of asset-backed securities</td>
<td>673066000</td>
<td>47.2</td>
<td>Level from FR Board, Financial Institutions Section, monthly G.19 statistical release, Consumer Credit, table Consumer Credit Outstanding. Not seasonally adjusted, Major holders, Pools of securitized assets. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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### F.126 Issuers of Asset-Backed Securities—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tr>
<td>13. Change in trade receivables held by issuers of asset-backed securities</td>
<td>673070003</td>
<td>36.3</td>
<td>Level estimated by FOF Section as approximately 55 percent of total asset-backed commercial paper issued (FOF series 673169100, line 15 below). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>14. Net increase in liabilities of issuers of asset-backed securities</td>
<td>674190005</td>
<td>204.4</td>
<td>Sum of lines 15 and 16.</td>
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<tr>
<td>15. Change in commercial paper liabilities of issuers of asset-backed securities</td>
<td>673169100</td>
<td>89.4</td>
<td>Level from FR Board, Capital Markets Section, daily statistical release Commercial Paper, table Commercial Paper Outstanding, Miscellaneous Categories, section Special Categories, column AB (“asset-backed,” commercial paper outstanding that is issued by special-purpose corporations that invest the proceeds in assets that in turn serve as collateral for the issued paper), month-end outstandings. Series is compiled by FR Board from data obtained from the Depository Trust Company. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<tr>
<td>16. Change in corporate bond liabilities of issuers of asset-backed securities</td>
<td>673163005</td>
<td>115.1</td>
<td>Sum of lines 4, 5, 8, 12, 13, and 18, less line 15.</td>
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<tr>
<td>17. Discrepancy for issuers of asset-backed securities, equal to gross saving less gross investment</td>
<td>677005005</td>
<td>.0</td>
<td>Sum of lines 1 and 14, less lines 2 and 3. The discrepancy is a use of funds in the FOF accounts.</td>
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</table>
Table F.126—Continued

<table>
<thead>
<tr>
<th>Component</th>
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<th>Explanation</th>
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<tr>
<td><strong>18. Memorandum item: Securitized consumer leases not included above</strong></td>
<td>675013203</td>
<td>2.1</td>
<td>Level from FR Bulletin, table 1.52, line 12, Consumer, Securitized assets, Motor vehicle leases. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Receivables from these operating leases are not included in financial assets of the issuers of asset-backed securities sector or in liabilities of the households and nonprofit organizations sector. Rather, payments are booked as current income when they are received by the lessors and as current expenses of the lessees. The leased automobiles are tangible assets of the issuers of asset-backed securities sector; depreciation flows for the automobiles are equal to the gross saving of the sector (FOF series 676330023, line 1 above), and purchases are equal to investment flows of the sector (675013023, line 2 above).</td>
</tr>
</tbody>
</table>
Table F.127  Finance Companies

Finance companies are nondepository financial institutions that provide credit to businesses and individuals; about 12 percent of their total financial assets are in residential and commercial real estate loans. Credit extended to businesses covers many types of lending: retail motor vehicle loans; wholesale motor vehicle loans, or floor plan financing; equipment loans and leases; and other business receivables, consisting of loans on commercial accounts receivable, factored commercial accounts, receivable dealer capital, small loans used primarily for business or farm purposes, and wholesale loans for mobile homes, campers, and travel trailers. Credit extended to consumers includes motor vehicle loans, personal cash loans, mobile home loans, and loans to purchase consumer goods such as appliances, apparel, and recreational vehicles. Excluded from the table are securitized loans, which are assets of the issuers of asset-backed securities sector.

Finance companies also own consumer motor vehicles that are leased to consumers; acquisitions of the vehicles are shown as fixed investment in line 2 of table F.127. The leases themselves are not financial assets of the lessors or liabilities of households; lease payments are treated as consumer expenditures by the lessee and as current income to the lessor. (The leases are shown as a memorandum item at the bottom of the table.) Debt used to finance the purchase of the vehicles by finance companies is reported as a liability.

Many finance companies have high credit ratings and are able to meet a substantial portion of their funding needs by issuing commercial paper and corporate bonds. Finance companies that are subsidiaries of holding companies obtain equity financing from their domestic or foreign parent companies; some of the subsidiaries are known as captive finance companies and provide credit to buyers of the parent companies’ products.

Information on finance companies is obtained from monthly sample surveys of finance companies conducted by the Federal Reserve Board; the surveys are benchmarked to the Federal Reserve Board’s quinquennial survey of finance companies. Data from the surveys are published in the Federal Reserve Board’s monthly G.20 statistical release, “Finance Companies,” and in the Federal Reserve Bulletin.
<table>
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<tr>
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<td>2</td>
<td>Fixed nonresidential investment</td>
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<td>Net acquisition of financial assets</td>
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<td>Checkable deposits and currency</td>
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<td>5</td>
<td>Credit market instruments</td>
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<tr>
<td>6</td>
<td>Other loans and advances</td>
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<tr>
<td>7</td>
<td>Mortgages</td>
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<td>8</td>
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<tr>
<td>9</td>
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<tr>
<td>10</td>
<td>Net increase in liabilities</td>
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<tr>
<td>11</td>
<td>Credit market instruments</td>
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<tr>
<td>12</td>
<td>Open market paper</td>
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<td>13</td>
<td>Corporate bonds</td>
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<td>14</td>
<td>Bank loans n.e.c.</td>
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<td>15</td>
<td>Taxes payable</td>
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<tr>
<td>17</td>
<td>Foreign direct investment in U.S.</td>
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<td>18</td>
<td>Investment by parent</td>
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<tr>
<td>19</td>
<td>Other</td>
<td></td>
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<td>Discrepancy</td>
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<td>Consumer leases not included above (2)</td>
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</tbody>
</table>

**Memo:**

(1) Includes retail captive finance companies.
(2) See footnote (3), table F.126.
### F.127 Finance Companies

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Gross saving of finance companies</strong></td>
<td>616000105</td>
<td>32.1</td>
<td>Line 1a, plus consumption of fixed capital by finance companies (equal to line 1b less line 1c), plus capital consumption adjustment for finance companies (equal to 25 percent of line 1d).</td>
</tr>
<tr>
<td>1a. Undistributed profits of finance companies</td>
<td>616006003</td>
<td>9.3</td>
<td>Seasonally adjusted flow from special tabulation of undistributed profits of credit agencies not elsewhere classified provided once a year by BEA. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
</tbody>
</table>
### F.127—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
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</tr>
</thead>
<tbody>
<tr>
<td>1b. Consumption of fixed nonresidential capital by finance companies and consumption of fixed nonresidential equipment capital by issuers of asset-backed securities, with nonresidential structures and equipment valued at current cost</td>
<td>616330003</td>
<td>25.5</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for commercial and mutual depository institutions (series M1NF16B1EQ00; revisions and updates provided by BEA), nondepository institutions (M1NF1611EQ00), insurance carriers (M1NF1631EQ00), and holding and other investment offices (M1NF1671EQ00); plus Structures for commercial and mutual depository institutions (M1NF16B1ST00), nondepository institutions (M1NF1611ST00), insurance carriers (M1NF1631ST00), and holding and other investment offices (M1NF1671ST00). The sum is multiplied by the ratio of consumption of fixed nonresidential equipment capital by nondepository institutions to consumption of fixed nonresidential equipment and structures capital by nondepository institutions for the equipment component of the total, and by the ratio of consumption of fixed nonresidential structures capital to consumption of fixed nonresidential equipment and structures capital for the structures component; both are multiplied by the ratio of tangible assets of finance companies to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships. This series is assumed to include consumption of fixed nonresidential equipment capital; this capital consists of automobiles that collateralize securitized consumer motor vehicle leases, which are assets of the issuers of asset-backed securities sector.</td>
</tr>
</tbody>
</table>
F.127  Finance Companies—Continued

<table>
<thead>
<tr>
<th>Component</th>
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<th>1997 value (billions of dollars)</th>
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</tr>
</thead>
<tbody>
<tr>
<td>1c.</td>
<td>676330023</td>
<td>1.5</td>
<td>Seasonally adjusted flow estimated by multiplying consumption of fixed nonresidential equipment capital by finance companies, with nonresidential equipment valued at current cost, by the ratio of the level of nonresidential equipment owned by issuers of asset-backed securities to the level of nonresidential equipment owned by finance companies, both valued at current cost, for the same quarter. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Issuers of asset-backed securities are assumed to own no tangible assets other than motor vehicles that collateralize consumer leases.</td>
</tr>
<tr>
<td>1d.</td>
<td>796310003</td>
<td>−5.3</td>
<td>Seasonally adjusted flow from SCB, NIPA table 1.16, line 16, Capital consumption adjustment for corporate business, less line 34, Capital consumption adjustment for nonfinancial corporate business. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
<tr>
<td>2.</td>
<td>615013005</td>
<td>20.2</td>
<td>Line 2a less line 2b.</td>
</tr>
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## Table F.127—Continued

<table>
<thead>
<tr>
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<tr>
<td>2a. Fixed nonresidential investment by finance companies and fixed nonresidential equipment investment by issuers of asset-backed securities</td>
<td>615013003</td>
<td>23.8</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for commercial and mutual depository institutions (series I3NF6B1EQ00; revisions and updates provided by BEA), nondepository institutions (I3NF611EQ00), insurance carriers (I3NF631EQ00), and holding and other investment offices (I3NF671EQ00); plus Structures for commercial and mutual depository institutions (I3NF6B1ST00), nondepository institutions (I3NF611ST00), insurance carriers (I3NF631ST00), and holding and other investment offices (I3NF671ST00). The sum is multiplied by the ratio of investment in equipment by nondepository institutions to investment in equipment and nonresidential structures by nondepository institutions for the equipment component of the total, and by the ratio of investment in nonresidential structures to investment in equipment and nonresidential structures for the structures component; both are multiplied by the ratio of tangible assets of finance companies to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. This series is assumed to include fixed nonresidential equipment investment in automobiles that collateralize securitized consumer motor vehicle leases; the automobiles are assets of the issuers of asset-backed securities sector.</td>
</tr>
</tbody>
</table>
### F.127 Finance Companies—Continued

<table>
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<tr>
<td>2b. Fixed nonresidential equipment investment (acquisition of automobiles that collateralize securitized consumer motor vehicle leases) by issuers of asset-backed securities</td>
<td>675013023</td>
<td>3.6</td>
<td>Unadjusted flow estimated as the change in equipment held by issuers of asset-backed securities (equal to change in motor vehicle leases, FOF series 675013203, table F.126, line 18) plus consumption of fixed nonresidential equipment capital by issuers of asset-backed securities (676330023, line 1e above). Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Issuers of asset-backed securities are assumed to own no tangible assets other than motor vehicles that collateralize consumer leases.</td>
</tr>
<tr>
<td>3. Net acquisition of financial assets by finance companies</td>
<td>614090005</td>
<td>52.8</td>
<td>Sum of lines 4, 5, and 9.</td>
</tr>
<tr>
<td>4. Change in checkable deposits and currency held by finance companies</td>
<td>613020003</td>
<td>2.1</td>
<td>Level is FOF Section estimate based on most recent FR Board quinquennial survey of finance companies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>5. Change in credit market assets of finance companies</td>
<td>614002005</td>
<td>21.9</td>
<td>Sum of lines 6, 7, and 8.</td>
</tr>
<tr>
<td>6. Change in business loans held by finance companies</td>
<td>613069500</td>
<td>9.0</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from quinquennial benchmark surveys and monthly surveys of a sample of finance companies conducted by FR Board. Series is shown in FR Bulletin, table 1.51, line 3, Accounts receivable, gross, Business. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure. Series excludes securitized loans.</td>
</tr>
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### Table F.127—Continued

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<tr>
<td>7. Change in mortgages held by finance companies</td>
<td>613065003</td>
<td>5.3</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from quinquennial benchmark surveys and monthly surveys of a sample of finance companies conducted by FR Board. Series is shown in FR Bulletin, table 1.51, line 4, Accounts receivable, gross, Real estate. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>8. Change in consumer credit held by all finance companies</td>
<td>613066005</td>
<td>7.6</td>
<td>Sum of lines 8a and 8b.</td>
</tr>
<tr>
<td>8a. Change in consumer credit held by finance companies, other than captive retail finance companies</td>
<td>613066000</td>
<td>7.6</td>
<td>Level from FR Board, Financial Institutions Section, monthly G.19 statistical release, Consumer Credit, table Consumer Credit Outstanding, Not seasonally adjusted, Major holders, Finance companies. Excludes securitized consumer credit. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>8b. Change in consumer credit held by captive retail finance companies</td>
<td>613066120</td>
<td>0</td>
<td>Through 1992:Q4, level from FR Board, Financial Institutions Section, monthly G.19 statistical release, Consumer Credit, table Consumer Credit Outstanding, Not seasonally adjusted, Major holders, Retailers, multiplied by the ratio of consumer credit held by captive retail finance companies (from FR Board quinquennial survey of finance companies) to consumer credit held by all retailers for same time period as survey. Ratio is smoothed between quinquennial surveys. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1993:Q1 for levels and flows; for earlier quarters, seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>9. Change in total miscellaneous assets of finance companies</td>
<td>613090005</td>
<td>28.9</td>
<td>Sum of line 9a and change in unidentified miscellaneous assets. Change in unidentified miscellaneous assets is a residual value calculated as the sum of lines 8b and 9b less changes in identified assets (lines 4, 6, 7, 8, 9a, 9c, and 21).</td>
</tr>
</tbody>
</table>
### F.127 Finance Companies—Continued

<table>
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<tbody>
<tr>
<td>9a. Direct investment abroad by U.S. finance companies</td>
<td>613092003</td>
<td>10.2</td>
<td>Beginning 1982, unadjusted flow and fourth-quarter level based on special tabulations provided by BEA; before 1982, estimated by FOF Section from periodic BEA benchmark surveys of U.S. direct investment abroad. Level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>9b. Change in gross receivables and other assets of finance companies</td>
<td>614090610</td>
<td>58.6</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from quinquennial benchmark surveys and monthly surveys of a sample of finance companies conducted by FR Board. Series is shown in FR Bulletin, table 1.51, sum of line 1, Accounts receivable, gross (excludes securitized business assets), and line 8, All other assets. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>9c. Change in tangible assets of finance companies, at book value</td>
<td>615013103</td>
<td>1.5</td>
<td>Level is FOF Section estimate obtained by multiplying reported total assets of finance companies (FOF series 614090610, line 9b above) by the ratio of plant, property, and equipment to combined total assets for the years 1977, 1980, and 1984 through 1996 for the thirty largest finance companies at year-end 1996; data for the companies are from annual reports tabulated by Standard &amp; Poor’s Compustat, with ratios interpolated for missing years. Ratio estimated to be 0.005 for 1945 through 1970, based on ratios of tangible assets to total assets for government-sponsored enterprises, and interpolated for 1971 through 1976. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>10. Net increase in liabilities of finance companies</td>
<td>614190005</td>
<td>46.6</td>
<td>Sum of lines 11, 15, and 16.</td>
</tr>
<tr>
<td>11. Change in credit market debt of finance companies</td>
<td>614102005</td>
<td>48.7</td>
<td>Sum of lines 12, 13, and 14.</td>
</tr>
<tr>
<td>Component</td>
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</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
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</tr>
<tr>
<td>12. Change in commercial paper liabilities of finance companies</td>
<td>613169100</td>
<td>23.9</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from FR quinquennial benchmark surveys and monthly surveys of a sample of finance companies. Series is shown in FR Bulletin, table 1.51, line 11, Commercial paper. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>13. Change in corporate bond liabilities of finance companies</td>
<td>613163003</td>
<td>20.3</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from quinquennial benchmark surveys and monthly surveys of a sample of finance companies conducted by FR Board. Series is shown in FR Bulletin, table 1.51, line 13, Debt not elsewhere classified. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>14. Change in outstanding bank loans, not elsewhere classified, to finance companies</td>
<td>613168000</td>
<td>4.4</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from quinquennial benchmark surveys and monthly surveys of a sample of finance companies conducted by FR Board. Series is shown in FR Bulletin, table 1.51, line 10, Bank loans. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>15. Change in taxes payable by finance companies</td>
<td>613178003</td>
<td>.8</td>
<td>Annual flow from SCB, NIPA table 6.18C, line 55, Nondepository institutions; less SOI Source Book, Corporation income tax returns, Returns with and without net income, sum of tables Personal Credit Institutions, line 89, Income tax after credits, total; Business Credit Institutions, line 89, Income tax after credits, total; and Other Credit Agencies, Finance Not Allocable, line 89, Income tax after credits, total. Series is converted to unadjusted quarterly flow by K-L method. Level is obtained by adding unadjusted flow to preceding level; estimates for current quarters are obtained by extrapolation. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
</tbody>
</table>
## Guide to the Flow of Funds Accounts, Volume 1

### F.127 Finance Companies—Continued

<table>
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<tbody>
<tr>
<td>16. Change in total miscellaneous liabilities of finance companies</td>
<td>613190005</td>
<td>-2.8</td>
<td>Sum of lines 17, 18, and 19.</td>
</tr>
<tr>
<td>17. Foreign direct investment in U.S. finance companies</td>
<td>613192003</td>
<td>4.9</td>
<td>Beginning 1982, unadjusted flow and fourth-quarter level from special tabulations provided by BEA; before 1982, estimated by FOF Section from periodic BEA benchmark surveys of U.S. direct investment abroad. Level for other quarters is obtained by adding flow to preceding level; level is at historical cost. Annual flow and year-end level shown in SCB, September issues, article Foreign Direct Investment in the U.S.: Detail for Historical-Cost Position and Related Capital and Income Flows, table 17, Other finance, including security and commodity brokers. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>18. Investment in finance company subsidiaries by parent companies</td>
<td>613194003</td>
<td>4.3</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from quinquennial benchmark surveys and monthly surveys of a sample of finance companies conducted by FR Board. Series is shown in FR Bulletin, table 1.51, line 12, Debt owed to parent. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>19. Change in unidentified miscellaneous liabilities of finance companies</td>
<td>613193005</td>
<td>-12.1</td>
<td>Residual value calculated as the change in liabilities and net worth (equal to change in total assets, sum of lines 8b and 9b) less line 21 and less changes in identified liabilities (lines 12, 13, 14, 15, 17, 18, and 19a).</td>
</tr>
</tbody>
</table>
Table F.127—Continued

<table>
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</tr>
</thead>
<tbody>
<tr>
<td>19a. Change in net worth reported by finance companies</td>
<td>615080003</td>
<td>7.7</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from quinquennial benchmark surveys and monthly sample surveys of finance companies conducted by FR Board. Series is shown in FR Bulletin, table 1.51, line 15, Capital, surplus, and undivided profits. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>20. Discrepancy for finance companies, equal to gross saving less gross investment</td>
<td>617005005</td>
<td>5.6</td>
<td>Sum of lines 1 and 10, less lines 2 and 3. The discrepancy is a use of funds in the FOF accounts.</td>
</tr>
<tr>
<td>21. Memorandum item: Consumer leases not included above</td>
<td>613066303</td>
<td>4.3</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from quinquennial benchmark surveys and monthly surveys of a sample of finance companies conducted by FR Board. Data are shown in FR Bulletin, table 1.52, line 8, Consumer, Motor vehicle leases. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Receivables from these operating leases are not included in financial assets of finance companies or in liabilities of the households and nonprofit organizations sector. Rather, payments are booked as current income when they are received by the lessor and as current expenses of the lessees. The leased automobiles are tangible assets of the finance companies; depreciation flows for the automobiles are included in gross saving of the sector (FOF series 616000105, line 1 above), and fixed investment flows, or purchases, are included in fixed investment of the sector (615013005, line 2 above). This series excludes consumer leases that have been securitized, which are shown in table F.126, line 18.</td>
</tr>
</tbody>
</table>
Table F.128  Mortgage Companies

The mortgage companies sector is made up of mortgage brokers and mortgage bankers. Mortgage brokers originate mortgage loans, which they then sell to portfolio lenders, government-sponsored enterprises (GSEs), and mortgage bankers; they also originate mortgages in other lenders' names. Mortgage bankers both originate mortgage loans and purchase them from brokers; they sell mortgages to portfolio lenders and GSEs, and they pool and securitize mortgages for sale as mortgage-backed securities. Both brokers and bankers sell virtually all their mortgages in the secondary markets.

Mortgage holdings are the only assets of the sector. These assets are financed mainly with bank loans; those companies that are subsidiaries of bank holding companies receive equity funding of their assets from their parent companies.

Information on the assets and liabilities of the sector is obtained primarily from surveys of mortgage holdings conducted by the Department of Housing and Urban Development (HUD).

<table>
<thead>
<tr>
<th></th>
<th>F.128 Mortgage Companies</th>
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<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>FA623065003 Net acquisition of financial assets</td>
<td>0.1</td>
<td>-0.0</td>
<td>-24.0</td>
<td>-3.4</td>
<td>8.2</td>
</tr>
<tr>
<td>2</td>
<td>FA623065105 Home mortgages</td>
<td>-0.4</td>
<td>-0.5</td>
<td>-24.0</td>
<td>-4.5</td>
<td>8.2</td>
</tr>
<tr>
<td>3</td>
<td>FA623065403 Multifamily residential mortgages</td>
<td>0.3</td>
<td>0.1</td>
<td>0.0</td>
<td>1.1</td>
<td>-0.1</td>
</tr>
<tr>
<td>4</td>
<td>FA623065503 Commercial mortgages</td>
<td>0.3</td>
<td>0.3</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>5</td>
<td>FA624190005 Net increase in liabilities</td>
<td>0.1</td>
<td>-0.0</td>
<td>-24.0</td>
<td>-3.4</td>
<td>8.2</td>
</tr>
<tr>
<td>6</td>
<td>FA623168003 Bank loans n.e.c.</td>
<td>8.0</td>
<td>0.0</td>
<td>-11.5</td>
<td>0.4</td>
<td>12.4</td>
</tr>
<tr>
<td>7</td>
<td>FA623194735 Investment by parent</td>
<td>-7.9</td>
<td>-0.1</td>
<td>-12.5</td>
<td>-3.8</td>
<td>-4.3</td>
</tr>
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</table>
### F.128 Mortgage Companies

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>1. Net acquisition of financial assets by mortgage companies, equal to change in mortgages held by them</td>
<td>623065003</td>
<td>16.4</td>
<td>Unadjusted flow from HUD Survey of Mortgage Lending Activity, table 3, Quarterly Gross Flows of Long-Term Mortgage Loans, column Net change, Mortgage companies, Totals. Level is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>2. Change in home mortgages held by mortgage companies</td>
<td>623065105</td>
<td>15.3</td>
<td>Line 1 less lines 3 and 4.</td>
</tr>
<tr>
<td>3. Change in multifamily residential mortgages held by mortgage companies</td>
<td>623065403</td>
<td>1.0</td>
<td>Unadjusted flow from HUD Survey of Mortgage Lending Activity, table 3, Quarterly Gross Flows of Long-Term Mortgage Loans, column Net change, Mortgage companies, Multifamily. Level is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>4. Change in commercial mortgages held by mortgage companies</td>
<td>623065503</td>
<td>0.0</td>
<td>Unadjusted flow from HUD Survey of Mortgage Lending Activity, table 3, Quarterly Gross Flows of Long-Term Mortgage Loans, column Net change, Mortgage companies, Nonresidential. Level is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>5. Net increase in liabilities of mortgage companies</td>
<td>624190005</td>
<td>16.4</td>
<td>Sum of lines 6 and 7.</td>
</tr>
<tr>
<td>6. Change in outstanding bank loans, not elsewhere classified, to mortgage companies</td>
<td>623168003</td>
<td>−1.3</td>
<td>Level estimated by FOF Section as approximately 50 percent of the value of mortgages held by mortgage companies (FOF series 623065003, line 1 above). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>7. Change in liabilities of mortgage companies for investment by bank holding company parents</td>
<td>623194735</td>
<td>17.6</td>
<td>Line 1 less line 6.</td>
</tr>
</tbody>
</table>
Table F.129  Real Estate Investment Trusts

Real estate investment trusts (REITs) are companies similar to mutual funds that hold portfolios of real estate and real estate-related financial instruments for the benefit of their shareholders; they were created by federal legislation in 1960 to provide funds to the mortgage market. Real estate held by REITs includes multifamily residential, retail, office, industrial, health care, and hotel properties and self-storage facilities; the financial instruments held by REITs are construction and development loans, mortgages, and mortgage-backed securities. REITs are restricted to earning their income mainly from passive sources (that is, rents, interest, dividends, and gains from sales) and are exempt from federal corporate income tax if the major portion of their income is from real estate or mortgages and if they distribute nearly all their income to their shareholders.

REITs as a group suffered a severe decline during the late 1970s, but since the early 1990s they have grown strongly; REIT equity shares have become a popular form of investment with both individuals and institutions because they provide a relatively liquid means of investing in real estate. Several variants of the REIT structure have developed in response to tax considerations.

REITs obtain the majority of their funds through equity issues, but they also borrow in the credit markets. Data on the sector are obtained from the National Association of Real Estate Investment Trusts (NAREIT), a trade association.

<table>
<thead>
<tr>
<th>F.129  Real Estate Investment Trusts</th>
<th>Billions of dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>1   FA646000100 Gross saving</td>
<td>3.0 4.4 13.3 16.2 22.2 28.2</td>
</tr>
<tr>
<td>2   FA645013013 Fixed nonresidential investment</td>
<td>1.7 1.1 14.6 7.8 19.6 30.8</td>
</tr>
<tr>
<td>3   FA645012205 Multifamily residential investment</td>
<td>2.6 5.2 7.3 2.9 4.9 6.9</td>
</tr>
<tr>
<td>4   FA644090005 Net acquisition of financial assets</td>
<td>-0.2 3.6 4.6 3.0 1.9 19.5</td>
</tr>
<tr>
<td>5   FA643065003 Mortgages</td>
<td>1.1 0.6 4.7 2.2 2.0 -2.0</td>
</tr>
<tr>
<td>6   FA643065103 Home</td>
<td>0.5 0.1 0.5 0.2 0.2 -0.2</td>
</tr>
<tr>
<td>7   FA643065403 Multifamily residential</td>
<td>3.1 0.4 3.1 1.4 1.3 -1.3</td>
</tr>
<tr>
<td>8   FA643065505 Commercial</td>
<td>-2.5 0.1 1.1 0.5 0.5 -0.5</td>
</tr>
<tr>
<td>9   FA643093005 Miscellaneous assets</td>
<td>-1.2 3.0 -0.1 0.9 -0.1 21.5</td>
</tr>
<tr>
<td>10  FA644190005 Net increase in liabilities</td>
<td>4.7 18.7 32.5 16.4 26.8 65.0</td>
</tr>
<tr>
<td>11  FA642150003 Security RPs</td>
<td>1.9 2.1 4.7 1.0 1.4 5.4</td>
</tr>
<tr>
<td>12  FA644104005 Credit market instruments</td>
<td>0.3 3.4 13.7 5.7 11.0 24.8</td>
</tr>
<tr>
<td>13  FA643169103 Open market paper</td>
<td>-0.0 -0.3 -0.6 -0.0 0.0 0.0</td>
</tr>
<tr>
<td>14  FA643163003 Corporate bonds</td>
<td>1.0 0.3 2.0 2.3 4.4 10.0</td>
</tr>
<tr>
<td>15  FA643168003 Bank loans n.e.c.</td>
<td>-1.3 -0.2 2.5 -2.1 -1.4 7.0</td>
</tr>
<tr>
<td>16  FA643165003 Mortgages</td>
<td>0.6 3.6 9.8 5.6 7.9 7.8</td>
</tr>
<tr>
<td>17  FA643164003 Corporate equity issues</td>
<td>2.0 13.2 11.1 8.3 12.3 29.4</td>
</tr>
<tr>
<td>18  FA643193005 Miscellaneous liabilities</td>
<td>0.6 -0.1 2.9 1.4 2.2 5.5</td>
</tr>
<tr>
<td>19  FA647005005 Discrepancy</td>
<td>3.6 13.2 19.3 18.9 22.6 36.0</td>
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</table>

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### Table F.129  Real Estate Investment Trusts

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gross saving of real estate investment trusts</td>
<td>646000105</td>
<td>28.2</td>
<td>Sum of lines 1a and 1b.</td>
</tr>
<tr>
<td>1a. Undistributed profits of real estate investment trusts</td>
<td>646006003</td>
<td>2.0</td>
<td>Seasonally adjusted flow from special tabulation of undistributed profits of REITs provided once a year by BEA. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
</tr>
</tbody>
</table>
### F.129 Real Estate Investment Trusts—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1b. Consumption of fixed capital by real estate investment trusts, with multifamily residential structures and nonresidential structures and equipment valued at current cost</td>
<td>646300003</td>
<td>26.2</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, for commercial and mutual depository institutions (series M1NF16B1EQ00; revisions and updates provided by BEA), nondepository institutions (M1NF1611EQ00), insurance carriers (M1NF1631EQ00), and holding and other investment offices (M1NF1671EQ00); plus Structures for commercial and mutual depository institutions (M1NF16B1ST00), nondepository institutions (M1NF1611ST00), insurance carriers (M1NF1631ST00), and holding and other investment offices (M1NF1671ST00). The sum is multiplied by the ratio of consumption of fixed nonresidential equipment capital by holding and other investment offices to consumption of fixed nonresidential equipment and structures capital by holding and other investment companies for the equipment component of the total, and by the ratio of consumption of fixed nonresidential structures capital to consumption of fixed nonresidential equipment and structures capital for the structures component; both are multiplied by the ratio of tangible assets reported by real estate investment trusts to tangible assets reported by U.S.-chartered commercial banks, foreign banking offices in the U.S., bank holding companies, banks in U.S.-affiliated areas, savings institutions, credit unions, life insurance companies, other insurance companies, private pension funds, state and local government employee retirement funds, government-sponsored enterprises, finance companies, and real estate investment trusts. The residential structures component is estimated by multiplying the nonresidential structures component by the ratio of the value of the stock of residential structures to that of nonresidential structures from NAREIT statistical publications. Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series obtained by the method described above are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships.</td>
</tr>
</tbody>
</table>
## Table F.129—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Fixed nonresidential investment by real estate investment trusts</td>
<td>645013013</td>
<td>30.8</td>
<td>Unadjusted flow estimated by FOF Section on the basis of industry reports of asset purchases. Calculated as investment in all structures, currently estimated as five-sixths of the change in the level of total property owned by REITs (FOF series 645019003, line 3a below), multiplied by the ratio of investment by REITs in nonresidential structures to investment by REITs in all structures (ratio estimated by FOF Section on the basis of information from NAREIT); the remaining one-sixth of the change in net property is assumed to be land purchases. Quarterly allocation of annual flows estimated as a proportion of equity and debt issuance from REITWatch. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>3. Fixed multifamily residential investment by real estate investment trusts</td>
<td>645012205</td>
<td>6.9</td>
<td>Line 3a times 0.83333, less line 2.</td>
</tr>
<tr>
<td>3a. Change in tangible assets of real estate investment trusts, at book value</td>
<td>645019003</td>
<td>45.2</td>
<td>Year-end level from NAREIT Industry Statistics, Industry Balance Sheet, Equity investments, Property owned, net of Accumulated depreciation, plus Other. Unadjusted quarterly flow estimated as a proportion of equity and debt issuance from REITWatch; level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>5. Change in mortgages held by real estate investment trusts</td>
<td>643065003</td>
<td>-2.0</td>
<td>Year-end level from NAREIT Industry Statistics, Industry Balance Sheet, Assets, Mortgages. Unadjusted quarterly flow estimated as a proportion of equity and debt issuance published in REITWatch; level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>---------</td>
<td>----------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>6. Change in home mortgages held by real estate investment trusts</td>
<td>643065103</td>
<td>-0.2</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data on total mortgages held by REITs from NAREIT Industry Statistics and data on percentage allocations shown in chart Mortgage Real Estate Investment, Publicly Traded REITs, published in the 1995 REIT Handbook, page 843; chart developed from year-end 1994 survey of the structural mix of REIT mortgage portfolios. Series is part of FR Bulletin, table 1.54, line 74, One- to four-family mortgages held by individuals and others. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>7. Change in multifamily residential mortgages held by real estate investment trusts</td>
<td>643065403</td>
<td>-1.3</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data on total mortgages held by REITs from NAREIT Industry Statistics and data on percentage allocations shown in chart Mortgage Real Estate Investment, Publicly Traded REITs, published in the 1995 REIT Handbook, page 843; chart developed from year-end 1994 survey of the structural mix of REIT mortgage portfolios. Series is part of FR Bulletin, table 1.54, line 75, Multifamily mortgages held by individuals and others. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>8. Change in commercial mortgages held by real estate investment trusts</td>
<td>643065505</td>
<td>-0.5</td>
<td>Line 5 less lines 6 and 7.</td>
</tr>
<tr>
<td>9. Change in unidentified miscellaneous assets of real estate investment trusts</td>
<td>643093005</td>
<td>21.5</td>
<td>Residual value calculated as line 9a less changes in identified assets (lines 3a, 5, and 9b). Line 9b is deducted both from the change in total assets in the calculation of change in miscellaneous assets and from the change in total liabilities and net worth in the calculation of change in miscellaneous liabilities. The assets backing the mortgage-backed bonds are not shown separately on the REIT balance sheet but are assumed to equal the bonds; they are included in the issuers of asset-backed securities sector (table F.126).</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
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<td>----------------------------------</td>
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</tr>
<tr>
<td>9a. Change in total assets reported by real estate investment trusts</td>
<td>644090643</td>
<td>68.4</td>
<td>Year-end level from NAREIT Industry Statistics, Industry Balance Sheet, Assets, Total assets. Unadjusted quarterly flow estimated as a proportion of equity and debt issuance published in REITWatch; level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>9b. Change in mortgage-backed bonds issued by real estate investment trusts</td>
<td>643165773</td>
<td>3.7</td>
<td>Year-end level estimated by FOF Section as a proportion of Secured debt from NAREIT Industry Statistics, Industry Balance Sheet, Liabilities, based on historical ratio of mortgage-backed bonds to secured debt from data formerly published. Unadjusted quarterly flow estimated as a proportion of equity and debt issuance published in REITWatch; level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>10. Net increase in liabilities of real estate investment trusts</td>
<td>644190005</td>
<td>65.0</td>
<td>Sum of lines 11, 12, 17, and 18.</td>
</tr>
<tr>
<td>11. Change in outstanding loans to real estate investment trusts under security repurchase agreements</td>
<td>642150003</td>
<td>5.4</td>
<td>Year-end level estimated by FOF Section as a proportion of Secured debt from NAREIT Industry Statistics, Industry Balance Sheet, Liabilities, based on historical ratio of repurchase agreements to secured debt from data formerly published. Unadjusted quarterly flow estimated as a proportion of equity and debt issuance published in REITWatch; level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>12. Change in credit market debt of real estate investment trusts</td>
<td>644104005</td>
<td>24.8</td>
<td>Sum of lines 13, 14, 15, and 16.</td>
</tr>
</tbody>
</table>
F.129  Real Estate Investment Trusts—Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
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<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>13. Change in commercial paper liabilities of real estate investment trusts</td>
<td>643169103</td>
<td>.0</td>
<td>Year-end level estimated by FOF Section as a proportion of Unsecured debt from NAREIT Industry Statistics, Industry Balance Sheet, Liabilities, based on historical ratio of commercial paper to secured debt from data formerly published. Unadjusted quarterly flow estimated as a proportion of equity and debt issuance from REITWatch; level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>14. Change in corporate bond liabilities of real estate investment trusts</td>
<td>643163003</td>
<td>10.0</td>
<td>Year-end level estimated by FOF Section as a proportion of Unsecured debt from NAREIT Industry Statistics, Industry Balance Sheet, Liabilities, based on historical ratio of corporate bonds to unsecured debt from data formerly published. Unadjusted flow from REITWatch, Gross issuance of corporate bonds minus an estimate for retirements; level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>15. Change in outstanding bank loans, not elsewhere classified, to real estate investment trusts</td>
<td>643168003</td>
<td>7.0</td>
<td>Year-end level estimated by FOF Section as a proportion of Unsecured debt from NAREIT Industry Statistics, Industry Balance Sheet, Liabilities, based on historical ratio of bank debt to unsecured debt from data formerly published. Unadjusted quarterly flow estimated as a proportion of equity and debt issuance published in REITWatch; level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
</tbody>
</table>
### Table F.129

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>16. Change in mortgage debt of real estate investment trusts</strong></td>
<td>643165003</td>
<td><strong>7.8</strong></td>
<td>Year-end level estimated by FOF Section as a proportion of Secured debt from NAREIT Industry Statistics, Industry Balance Sheet, Liabilities, based on historical ratio of mortgages to unsecured debt from data formerly published. Unadjusted flow estimated as a portion of equity and debt issuance published in REITWatch; level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td><strong>17. Net issuance of corporate equities by real estate investment trusts</strong></td>
<td>643164003</td>
<td><strong>29.4</strong></td>
<td>Unadjusted flow from REITWatch, table Historical Offerings of Securities by REITs, sum of columns Initial and Secondary equity, less FOF Section estimate for retirements. Series has no levels. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td><strong>18. Change in unidentified miscellaneous liabilities of real estate investment trusts</strong></td>
<td>643193005</td>
<td><strong>5.5</strong></td>
<td>Residual value calculated as change in reported liabilities and net worth (equal to change in reported total assets, line 9a) less changes in identified liabilities and net worth (lines 9b, 11, 12, and 18a).</td>
</tr>
<tr>
<td><strong>18a. Change in net worth reported by real estate investment trusts</strong></td>
<td>645080003</td>
<td><strong>29.1</strong></td>
<td>Year-end level from NAREIT Industry Statistics, Industry Balance Sheet, Shareholders’ equity. Unadjusted quarterly flow estimated to be proportional to debt and equity issuance from REITWatch; level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td><strong>19. Discrepancy for real estate investment trusts, equal to gross saving less gross investment</strong></td>
<td>647005005</td>
<td><strong>36.0</strong></td>
<td>Sum of lines 1 and 10, less lines 2, 3, and 4. The discrepancy is a use of funds in the FOF accounts.</td>
</tr>
</tbody>
</table>

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Security brokers and dealers are firms that buy and sell securities for a fee, hold an inventory of securities for resale, or do both. The firms that make up sector are those that submit information to the Securities and Exchange Commission on either of two reporting forms, FOCUS (Financial and Operational Combined Uniform Single Report) or FOGS (Report on Finances and Operations of Government Securities Brokers and Dealers). Brokers and dealers are an important link in the transmission of funds from savers to the ultimate investors because they are a means of distributing both new security issues and those being resold on the secondary market. Dealers in U.S. government securities that stand ready to buy from or sell to the Federal Reserve System assist in the implementation of monetary policy conducted through open market operations.

The major assets of the sector are collateral repayable from funding corporations in connection with securities borrowing, along with corporate and government securities held for redistribution and credit provided to customers. Sector operations are financed largely with investment by parent companies, funds left on deposit by customers, security repurchase agreements, and bank loans.

Table F.130 Security Brokers and Dealers

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>1 FA666000105 Gross saving</td>
<td>-2.0</td>
<td>-0.3</td>
<td>6.6</td>
<td>-2.3</td>
<td>-0.5</td>
<td>0.3</td>
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<tr>
<td>2 FA665013003 Fixed nonresidential investment</td>
<td>0.6</td>
<td>0.8</td>
<td>0.9</td>
<td>0.9</td>
<td>0.9</td>
<td>1.1</td>
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<tr>
<td>3 FA664909005 Net acquisition of financial assets</td>
<td>49.2</td>
<td>97.0</td>
<td>-24.1</td>
<td>113.4</td>
<td>68.2</td>
<td>142.1</td>
</tr>
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<td>4 FA663020003 Checkable deposits and currency</td>
<td>0.2</td>
<td>1.9</td>
<td>-0.3</td>
<td>1.7</td>
<td>1.9</td>
<td>5.6</td>
</tr>
<tr>
<td>5 FA664004005 Credit market instruments</td>
<td>-1.3</td>
<td>14.8</td>
<td>-44.2</td>
<td>90.1</td>
<td>-15.7</td>
<td>13.7</td>
</tr>
<tr>
<td>6 FA663069103 Open market paper</td>
<td>1.2</td>
<td>0.3</td>
<td>-3.7</td>
<td>10.9</td>
<td>1.6</td>
<td>0.6</td>
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<tr>
<td>7 FA663061005 U.S. government securities</td>
<td>-14.4</td>
<td>-12.8</td>
<td>-30.2</td>
<td>70.0</td>
<td>-29.9</td>
<td>1.6</td>
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<tr>
<td>8 FA663061105 Treasury</td>
<td>-13.3</td>
<td>-20.7</td>
<td>-14.4</td>
<td>61.0</td>
<td>-31.1</td>
<td>6.4</td>
</tr>
<tr>
<td>9 FA663061703 Agency</td>
<td>-1.0</td>
<td>7.8</td>
<td>15.8</td>
<td>9.0</td>
<td>1.2</td>
<td>-4.8</td>
</tr>
<tr>
<td>10 FA663062003 Municipal securities</td>
<td>1.9</td>
<td>5.8</td>
<td>-1.7</td>
<td>-2.7</td>
<td>-1.9</td>
<td>2.3</td>
</tr>
<tr>
<td>11 FA663063003 Corporate and foreign bonds</td>
<td>10.0</td>
<td>22.2</td>
<td>-8.7</td>
<td>12.0</td>
<td>14.5</td>
<td>9.2</td>
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<tr>
<td>12 FA663064003 Corporate equities</td>
<td>-0.6</td>
<td>8.1</td>
<td>-3.4</td>
<td>7.7</td>
<td>-1.9</td>
<td>2.7</td>
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<tr>
<td>13 FA663067203 Security credit</td>
<td>-1.6</td>
<td>22.6</td>
<td>-1.1</td>
<td>3.5</td>
<td>15.8</td>
<td>36.8</td>
</tr>
<tr>
<td>14 FA663090005 Miscellaneous assets</td>
<td>52.6</td>
<td>49.6</td>
<td>24.8</td>
<td>10.3</td>
<td>68.2</td>
<td>83.3</td>
</tr>
<tr>
<td>15 FA664190005 Net increase in liabilities</td>
<td>51.9</td>
<td>98.0</td>
<td>-29.1</td>
<td>117.2</td>
<td>70.5</td>
<td>143.6</td>
</tr>
<tr>
<td>16 FA662150005 Security RPs (net)</td>
<td>24.0</td>
<td>20.0</td>
<td>-23.0</td>
<td>79.0</td>
<td>-1.5</td>
<td>22.8</td>
</tr>
<tr>
<td>17 FA663163003 Corporate bonds</td>
<td>2.7</td>
<td>12.0</td>
<td>0.5</td>
<td>-5.0</td>
<td>-2.0</td>
<td>8.1</td>
</tr>
<tr>
<td>18 FA663164003 Corporate equity issues</td>
<td>-1.9</td>
<td>1.3</td>
<td>4.7</td>
<td>-8.1</td>
<td>-6.5</td>
<td>-5.9</td>
</tr>
<tr>
<td>19 FA663170003 Trade payables</td>
<td>0.6</td>
<td>2.7</td>
<td>-0.9</td>
<td>1.1</td>
<td>4.0</td>
<td>5.7</td>
</tr>
<tr>
<td>20 FA663167005 Security credit</td>
<td>6.2</td>
<td>38.7</td>
<td>1.0</td>
<td>23.1</td>
<td>36.6</td>
<td>73.3</td>
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<tr>
<td>21 FA663167203 Customer credit balances (HH)</td>
<td>-10.8</td>
<td>26.0</td>
<td>6.7</td>
<td>18.6</td>
<td>35.3</td>
<td>51.6</td>
</tr>
<tr>
<td>22 FA663067105 From banks</td>
<td>16.9</td>
<td>12.7</td>
<td>-5.7</td>
<td>4.6</td>
<td>1.3</td>
<td>21.7</td>
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<tr>
<td>23 FA663178003 Taxes payable</td>
<td>0.0</td>
<td>0.5</td>
<td>-0.2</td>
<td>-0.1</td>
<td>0.1</td>
<td>0.2</td>
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<tr>
<td>24 FA663190005 Miscellaneous liabilities</td>
<td>13.1</td>
<td>15.6</td>
<td>1.6</td>
<td>12.6</td>
<td>27.8</td>
<td>21.6</td>
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<tr>
<td>25 FA663192005 Foreign direct investment in U.S.</td>
<td>0.0</td>
<td>0.1</td>
<td>0.8</td>
<td>1.5</td>
<td>0.8</td>
<td>0.3</td>
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<tr>
<td>26 FA663194005 Due to affiliates</td>
<td>29.4</td>
<td>29.2</td>
<td>25.7</td>
<td>25.1</td>
<td>51.2</td>
<td>43.8</td>
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<tr>
<td>27 FA663193005 Other</td>
<td>-16.3</td>
<td>-13.7</td>
<td>-24.8</td>
<td>-14.0</td>
<td>-24.2</td>
<td>-22.5</td>
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<tr>
<td>28 FA663180005 Proprietors’ net investment</td>
<td>7.2</td>
<td>7.1</td>
<td>-12.7</td>
<td>14.5</td>
<td>12.0</td>
<td>18.0</td>
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<tr>
<td>29 FA667005005 Discrepancy</td>
<td>0.1</td>
<td>-0.2</td>
<td>0.7</td>
<td>0.7</td>
<td>0.8</td>
<td>0.7</td>
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<td>Component</td>
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<td>Explanation</td>
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<tr>
<td><strong>1. Gross saving of security brokers and dealers</strong></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>1a. Undistributed profits of security brokers and dealers</td>
<td>6660006003</td>
<td>-1.1</td>
<td>Seasonally adjusted flow from special tabulation of undistributed profits of security and commodity brokers provided once a year by BEA. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
<td></td>
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<tr>
<td>1b. Consumption of fixed nonresidential capital by security brokers and dealers, with nonresidential structures and equipment valued at current cost</td>
<td>666330003</td>
<td>1.4</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, table A2, Fixed Nonresidential Private Capital, by Industry, Current-Cost Valuation, Depreciation, Equipment for security and commodity brokers (series M1NFI621EQ00; revisions and updates provided by BEA), plus Structures for security and commodity brokers (M1NFI621ST00). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using consumption of fixed capital by private sectors (FOF series 896300003, table F.8, line 7) as the denominator. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data. Beginning 1994:Q1, the values for this series are adjusted upward as part of a reallocation by the FOF Section of consumption of fixed capital by private sectors toward financial institutions in general and away from nonfarm noncorporate business, in order to align the FOF Section estimates of noncorporate consumption of fixed capital with values implied by the latest SOI balance sheets for partnerships and income statements for proprietorships.</td>
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### F.130 Security Brokers and Dealers—Continued

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<tr>
<td>2. Fixed nonresidential investment by security brokers and dealers</td>
<td>665013003</td>
<td>1.1</td>
<td>Annual flow from Fixed Reproducible Tangible Wealth, Investment data, table B1, Fixed Nonresidential Private Capital, by Industry, Historical-Cost Valuation and Constant-Cost Valuation, columns Millions of dollars, Equipment for security and commodity brokers (series 13NF621EQ00; revisions and updates provided by BEA), plus Structures for security and commodity brokers (13NF621ST00). Series is converted to seasonally adjusted quarterly flow at annual rate by ratio method, using investment in producers’ durable equipment (SCB, NIPA table 5.4, line 8, Producers’ durable equipment) as the denominator for the equipment component and investment in nonresidential structures (SCB, NIPA table 5.4, line 3, Nonresidential structures) as the denominator for the structures component. Unadjusted flow is not available; seasonally adjusted flow is converted from annual rate to quarterly rate and used as unadjusted flow in FOF reports of unadjusted data.</td>
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<tr>
<td>3. Net acquisition of financial assets by security brokers and dealers</td>
<td>664090005</td>
<td>142.1</td>
<td>Sum of lines 4, 5, 12, 13, and 14.</td>
</tr>
<tr>
<td>4. Change in checkable deposits and currency held by security brokers and dealers</td>
<td>663020003</td>
<td>5.6</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports, Cash (series F750) plus Cash segregated in compliance with federal and other regulations (F760). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>5. Change in credit market assets of security brokers and dealers</td>
<td>664004005</td>
<td>13.7</td>
<td>Sum of lines 6, 7, 10, and 11.</td>
</tr>
<tr>
<td>6. Change in open market paper held by security brokers and dealers</td>
<td>663069103</td>
<td>.6</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports, Bankers acceptances, certificates of deposit, and commercial paper (series F370). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>7. Change in U.S. government securities held by security brokers and dealers</td>
<td>663061005</td>
<td>1.6</td>
<td>Line 7a less line 7b.</td>
</tr>
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<tr>
<td>7a. Change in holdings of U.S. government securities reported by security brokers and dealers</td>
<td>663061663</td>
<td>11.6</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports, U.S. and Canadian government obligations (series F380). Level is at market value. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>7b. Change in liabilities of security brokers and dealers for securities sold short</td>
<td>664140663</td>
<td>10.0</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports, Liability for securities sold not yet purchased, at market value (series F1620). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>8. Change in U.S. Treasury securities held by security brokers and dealers</td>
<td>663061105</td>
<td>6.4</td>
<td>Line 7 less line 9.</td>
</tr>
<tr>
<td>9. Change in U.S. government agency securities held by security brokers and dealers</td>
<td>663061703</td>
<td>−4.8</td>
<td>Level is FOF Section estimate based on FR Bulletin, table 1.43, Net outright positions, Federal agency, sum of line 5, Discount notes, line 6, Coupon securities due in one year or less, line 7, Coupon securities due in more than one year but less than or equal to five years, and line 8, Coupon securities due in more than five years; plus line 9, Mortgage-backed. Data are at market value. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>10. Change in municipal securities held by security brokers and dealers</td>
<td>663062003</td>
<td>2.3</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports, State and municipal government obligations (series F390). Level is at market value. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Component</td>
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<td>1997 value (billions of dollars)</td>
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</tr>
<tr>
<td>11. Change in corporate and foreign bonds held by security brokers and dealers</td>
<td>663063003</td>
<td>9.2</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports, sum of Corporate obligations (series F400), Other securities (F424), and Securities owned not readily marketable (F860). Level is at market value (the component Securities owned not readily marketable is at cost). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>12. Net purchases of corporate equities by security brokers and dealers</td>
<td>663064003</td>
<td>2.7</td>
<td>Level at market value from SEC tabulation of submissions of FOCUS and FOGS reports, Stocks and warrants (series F410). Level at book value estimated by dividing level at market value by 1 plus the percentage change (expressed in decimal form) in the NYSE Composite Index of Common Stock Prices. Unadjusted flow is the change in the book-value level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Level published in FOF releases is at market value.</td>
</tr>
<tr>
<td>13. Change in security credit to customers (households and nonprofit organizations sector) held by security brokers and dealers</td>
<td>663067203</td>
<td>36.8</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports, sum of Receivables from customers (series F820) and Receivables from noncustomers (F830). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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## Table F.130—Continued

<table>
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<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
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<tr>
<td><strong>14. Change in total miscellaneous assets of security brokers and dealers</strong></td>
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<td></td>
<td></td>
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<tr>
<td></td>
<td>663090005</td>
<td>83.3</td>
<td>Sum of line 14a, change in collateral receivable from funding corporations (estimated as equal to change in receivables from brokers and dealers net of change in payables to brokers and dealers, line 14b less line 14c), and change in unidentified miscellaneous assets. Change in unidentified miscellaneous assets is a residual value calculated as line 14d less change in identified assets (lines 4, 6, 7a, 10, 11, 12, 13, 14a, 14b, 14e, and 14f). Collateral receivable represents the collateral provided by security brokers and dealers and held in custodial accounts (part of the funding corporations sector) when the dealers borrow securities to cover short sales or delivery failures; a corresponding liability for collateral repayable is shown for the funding corporations. The collateral is returned to the brokers and dealers when the borrowed securities are returned.</td>
</tr>
<tr>
<td>14a. Direct investment abroad by U.S. security brokers and dealers</td>
<td>663092003</td>
<td>2.0</td>
<td>Beginning 1982, unadjusted flow and fourth-quarter level based on special tabulations provided by BEA; before 1982, estimated by FOF Section from periodic BEA benchmark surveys of U.S. direct investment abroad. Levels for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>14b. Change in receivables owed to security brokers and dealers by brokers or dealers and clearing organizations (largely cash collateral associated with securities lending transactions)</td>
<td>663070663</td>
<td>129.1</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports, Receivables from brokers or dealers and clearing organizations (sum of series F770, F780, F790, F800, and F810). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>14c. Change in payables owed by security brokers and dealers to brokers or dealers and clearing organizations (largely cash collateral associated with securities lending transactions)</td>
<td>663170663</td>
<td>72.0</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports, Payable to brokers or dealers and clearing organizations (sum of series F1490, F1500, F1510, F1520, F1530, F1540, F1550, F1560, and F1570). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
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</tr>
<tr>
<td>14d. Change in total assets reported by security brokers and dealers</td>
<td>664090663</td>
<td>323.5</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports, Total assets (series F940). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>14e. Change in outstanding loans held by security brokers and dealers</td>
<td>662050663</td>
<td>99.0</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports, Securities purchased under agreements to resell (series F840). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>14f. Change in tangible assets of security brokers and dealers, at book value</td>
<td>665013103</td>
<td>.4</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports, Property, furniture, equipment, leasehold improvements, and rights under lease agreements, at cost (net of accumulated depreciation and amortization) (series F920). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>15. Net increase in liabilities of security brokers and dealers</td>
<td>664190005</td>
<td>143.6</td>
<td>Sum of lines 16, 17, 18, 19, 20, 23, 24, and 28.</td>
</tr>
<tr>
<td>16. Change in outstanding loans to security brokers and dealers</td>
<td>662150005</td>
<td>22.8</td>
<td>Sum of lines 16a and 16b, less lines 14e, 16c, and 16d.</td>
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<tr>
<td>16a. Change in outstanding loans to security brokers and dealers under security repurchase agreements</td>
<td>662150663</td>
<td>162.9</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports, Securities sold under repurchase agreements (series F1480). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### Table F.130—Continued

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<tr>
<td>16b. Change in outstanding bank loans, not elsewhere classified, to security brokers and dealers</td>
<td>663168663</td>
<td>-19.5</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports. Bank loans payable (sum of series F1460 and F1470). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>16c. Change in security credit to security brokers and dealers held by U.S.-chartered commercial banks</td>
<td>723067003</td>
<td>4.2</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, sum of schedule RC-C, Loans for purchasing or carrying securities (secured and unsecured) (series RCON1545), and schedule RC, 25 percent of Federal funds sold and securities purchased under agreements to resell (RCON1350). The 25 percent figure is the approximate historical proportion of federal funds sales and security repurchase agreements of weekly reporting large commercial banks (assumed to apply to all U.S.-chartered commercial banks) made with security brokers and dealers; data for large commercial banks are from FR 2416 report, Federal funds sold and securities purchased under agreements to resell, With nonbank brokers and dealers in securities (series WRBK1370), divided by Federal funds sold and securities purchased under agreements to resell, sum of With commercial banks in the U.S. (including U.S. branches and agencies of foreign banks) (WRBK1360), With nonbank brokers and dealers in securities (WRBK1370), and With others (WRBK1390). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>16d. Change in security credit to security brokers and dealers held by foreign banking offices in the U.S.</td>
<td>753067100</td>
<td>17.5</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule RAL, Federal funds sold and securities purchased under agreements to resell, With others (series RCON1390), plus schedule C, Loans for purchasing or carrying securities (secured and unsecured) (RCON1545); and for New York State investment companies (through 1996:Q2), schedule A, Loans for purchasing or carrying securities (RCON1545). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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<tr>
<td>17. Change in corporate bond liabilities of security brokers and dealers</td>
<td>663163003</td>
<td>8.1</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports. Notes and mortgages payable (sum of series Fl690 and Fl700). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>18. Net issuance of corporate equities by security brokers and dealers</td>
<td>663164003</td>
<td>−5.9</td>
<td>Level at market value from SEC tabulation of submissions of FOCUS and FOGS reports, sum of Preferred stock (series Fl791), Common stock (Fl792), and Additional paid-in capital (Fl793), less Capital stock in treasury (Fl796). Level at book value estimated by dividing level at market value by 1 plus the percentage change (expressed in decimal form) in the NYSE Composite Index of Common Stock Prices. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>19. Change in trade payables owed by security brokers and dealers</td>
<td>663170003</td>
<td>5.7</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports, Accounts payable (series Fl640). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>20. Change in security credit owed by security brokers and dealers</td>
<td>663167005</td>
<td>73.3</td>
<td>Sum of lines 21 and 22.</td>
</tr>
<tr>
<td>21. Change in credit balances owed to customers (households and nonprofit organizations sector) by security brokers and dealers</td>
<td>663167203</td>
<td>51.6</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports, sum of Payable to customers (sum of series Fl580 and Fl590) and Payable to noncustomers (sum of Fl600 and Fl610). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>Component</td>
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<tr>
<td>22. Change in security credit provided by the commercial banking sector</td>
<td>763067105</td>
<td>21.7</td>
<td>Sum of lines 16c and 16d.</td>
</tr>
<tr>
<td>and dealers</td>
<td></td>
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<tr>
<td>23. Change in taxes payable by security brokers and dealers</td>
<td>663178003</td>
<td>.1</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports, Income taxes payable (series F1650). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>24. Change in total miscellaneous liabilities of security brokers and</td>
<td>663190005</td>
<td>21.6</td>
<td>Sum of lines 25, 26, and 27.</td>
</tr>
<tr>
<td>dealers</td>
<td></td>
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</tr>
<tr>
<td>25. Foreign direct investment in U.S. security brokers and dealers, net</td>
<td>663192005</td>
<td>.3</td>
<td>Line 25a less line 25b.</td>
</tr>
<tr>
<td>of total foreign direct investment in U.S. real estate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>25a. Foreign direct investment in U.S. security brokers and dealers and</td>
<td>663192003</td>
<td>.9</td>
<td>Beginning 1982, unadjusted flow and fourth-quarter level based on tabulations provided by BEA; before 1982, estimated by FOF Section from periodic BEA benchmark surveys of U.S. direct investment abroad. Level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>foreign direct investment in U.S. real estate</td>
<td></td>
<td></td>
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<tr>
<td>25b. Foreign direct investment in U.S. real estate</td>
<td>265014003</td>
<td>.7</td>
<td>Beginning 1982, unadjusted flow and fourth-quarter level from special tabulations provided by BEA; before 1982, estimated by FOF Section from periodic BEA benchmark surveys of foreign direct investment in the U.S. Level for other quarters is obtained by adding flow to preceding level; level is at historical cost. Annual flow and fourth-quarter level shown in SCB, September issues, article Foreign Direct Investment in the U.S.: Detail for Historical-Cost Position and Related Capital and Income Flows, table 17, Real estate. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
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<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>26. Investment in security broker and dealer subsidiaries by parent companies</strong></td>
<td>663194005</td>
<td>43.8</td>
<td>Sum of investment in security broker and dealer subsidiaries by bank holding companies and by funding corporations. Investment by bank holding companies is equal to line 26a less lines 26b, 26c, 26d, and 26e, and less investment in their mortgage company subsidiaries (equal to line 26f net of line 26g). Investment by funding corporations is equal to line 26h plus the proceeds of bond issuance (equal to line 26i net of line 17) downstreamed to broker-dealer subsidiaries by investment banks that are the subsidiaries’ holding-company parents (part of the funding corporations sector).</td>
</tr>
<tr>
<td><strong>26a. Investment in financial subsidiaries by bank holding companies</strong></td>
<td>733094003</td>
<td>65.3</td>
<td>Level from FR Y-9LP report, schedule PC-A, sum of Equity investments in bank subsidiaries and associated banks (sum of series BHCP3239, BHCP3238, and BHCP4485), Equity investments in nonbank subsidiaries and associated nonbank companies (sum of BHCP1273, BHCP0087, and BHCP0536), Nonequity investments in and receivables due from bank subsidiaries and associated banks (sum of BHCP0533 and BHCP0534), and Nonequity investments in and receivables due from nonbank subsidiaries and associated nonbank companies (sum of BHCP0537 and BHCP0538). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td><strong>26b. Change in dollar claims of U.S. bank holding companies on foreign affiliates</strong></td>
<td>733092003</td>
<td>-.4</td>
<td>Level from special Federal Reserve/Treasury tabulation of TIC data. Excludes claims denominated in foreign currencies. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td><strong>26c. Investment in U.S.-chartered commercial bank subsidiaries by bank holding companies</strong></td>
<td>723194003</td>
<td>40.7</td>
<td>Level from FR Y-9LP report, schedule PC-A, sum of Equity investments in bank subsidiaries and associated banks (sum of series BHCP3239, BHCP3238, and BHCP4485) and Nonequity investments in and receivables due from bank subsidiaries and associated banks (sum of BHCP0533 and BHCP0534). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
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<tr>
<td>26d. Investment in savings institution subsidiaries by bank holding companies</td>
<td>443194733</td>
<td>.3</td>
<td>Level estimated by FOF Section as approximately 10 percent of the net of (1) FR Y-9LP report, Investments in and receivables due from subsidiaries and associated companies (series BHCP0365), and (2) bank holding companies’ dollar claims on foreign affiliates (FOF series 733092003, line 26b above). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>26e. Investment in finance company subsidiaries by bank holding companies</td>
<td>613194733</td>
<td>2.2</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from quinquennial benchmark surveys and monthly surveys of a sample of finance companies conducted by FR Board. Data are included in FR Bulletin, table 1.51, line 12, Debt owed to parent. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>26f. Change in mortgages held by mortgage companies</td>
<td>623065003</td>
<td>16.4</td>
<td>Unadjusted flow from HUD Survey of Mortgage Lending Activity, table 3, Quarterly Gross Flows of Long-Term Mortgage Loans, column Net change, Mortgage companies, Totals. Level is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>26g. Change in outstanding bank loans, not elsewhere classified, to mortgage companies</td>
<td>623168003</td>
<td>−1.3</td>
<td>Level estimated by FOF Section as approximately 50 percent of the value of mortgages held by mortgage companies (FOF series 623065003, line 26f above). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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## F.130 Security Brokers and Dealers—Continued

<table>
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<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
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<tr>
<td>26h. Funds raised in commercial paper markets by investment banks that are holding-company parents (funding corporations sector) and invested by them in security broker and dealer subsidiaries</td>
<td>503094663</td>
<td>8.4</td>
<td>Through 1997:Q2, level is FOF Section estimate based on FR Bank of New York, Market Reports Division, monthly commercial paper release, table II, line II, Total amount of commercial paper placed by the reporting dealer that is issued by the reporting dealer firm, its affiliates, or its parent. From 1997:Q3 onward, level estimated by FOF Section as the ratio of the value of this series for 1997:Q2 to corporate bond liabilities of investment banks and security brokers and dealers (FOF series 663163503, line 26i below) for 1997:Q2, multiplied by corporate bond liabilities of investment banks and security brokers and dealers for the current quarter. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>26i. Change in corporate bond liabilities of investment banks and security brokers and dealers</td>
<td>663163503</td>
<td>38.6</td>
<td>Unadjusted flow equal to gross corporate bond issuance of investment banks and security brokers and dealers obtained from Securities Data Company, less FOF Section estimate of retirements. Level obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>27. Change in unidentified miscellaneous liabilities of security brokers and dealers</td>
<td>663193005</td>
<td>-22.5</td>
<td>Residual value calculated as change in reported liabilities and net worth (equal to change in reported total assets, line 14d) less changes in identified liabilities and net worth (lines 7b, 14e, 16a, 16b, 17, 19, 21, 23, 26, and 27a).</td>
</tr>
<tr>
<td>27a. Change in net worth reported by security brokers and dealers</td>
<td>665080003</td>
<td>11.3</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports. Total ownership equity (series F1800). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>28. Proprietors’ net investment in noncorporate security brokers and dealers</td>
<td>663180005</td>
<td>18.0</td>
<td>Line 27a less lines 1a, 18, and 25.</td>
</tr>
<tr>
<td>29. Discrepancy for security brokers and dealers, equal to gross saving less gross investment</td>
<td>667005005</td>
<td>.7</td>
<td>Sum of lines 1 and 15, less lines 2 and 3. The discrepancy is a use of funds in the FOF accounts.</td>
</tr>
</tbody>
</table>
Table F.131  Funding Corporations

The funding corporation sector comprises four types of financial institutions and entities: subsidiaries of foreign banks that raise funds in the U.S. capital markets and transfer the proceeds to foreign banking offices in the U.S.; subsidiaries of foreign bank and nonbank financial firms that raise funds in the U.S. and transfer them to the parent company abroad; nonbank financial holding companies; and custodial accounts for reinvested collateral associated with securities-lending operations.

The assets of the subsidiaries and the holding companies are their investments in affiliates. Funding for these assets is obtained from the commercial paper market, in which the funding corporations are major issuers. Proceeds that are transferred to parent institutions abroad are reported as foreign direct investment (FDI); by convention, FDI is reported as an asset of the parent and a liability of the subsidiary. In the case of funding corporations, therefore, the foreign parents’ FDI assets and the subsidiaries’ FDI liabilities have negative balances (because the parents owe the subsidiaries).

Custodial accounts are bookkeeping entities established to hold cash collateral put up by security dealers to back securities they borrow to cover short sales and delivery failures; the collateral is returned to the dealers when the borrowed securities are returned. While it is being held in custody, the collateral is invested in money market mutual fund shares, commercial paper, and corporate bonds.

Figures for commercial paper issuance by funding corporations are derived residually by subtracting the amounts owed by other financial issuers from total financial commercial paper outstanding shown in the daily “Commercial Paper” release published by the Federal Reserve Board. Data on investment by funding corporations in foreign banking office subsidiaries are also taken from the daily release. Through 1997:Q2, information on investment by funding corporations in their security broker and dealer affiliates was based on data from the Federal Reserve Bank of New York’s commercial paper release; data are now estimated by the Flow of Funds Section on the basis of the previous relationship between commercial paper issuance by funding corporations reported in that release and net corporate bond issuance by investment banks. Estimates of reinvested collateral held in custodial accounts are based on data on securities borrowed and lent reported by brokers and dealers to the Securities and Exchange Commission.
<table>
<thead>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Net acquisition of financial assets</td>
<td>59.4</td>
<td>-14.6</td>
<td>31.1</td>
<td>9.2</td>
<td>117.7</td>
<td>122.3</td>
</tr>
<tr>
<td>2</td>
<td>Money market fund shares</td>
<td>23.5</td>
<td>10.1</td>
<td>31.8</td>
<td>2.4</td>
<td>27.3</td>
<td>10.4</td>
</tr>
<tr>
<td>3</td>
<td>Credit market instruments</td>
<td>12.9</td>
<td>-35.3</td>
<td>-16.2</td>
<td>-17.8</td>
<td>25.2</td>
<td>58.6</td>
</tr>
<tr>
<td>4</td>
<td>Open market paper</td>
<td>12.9</td>
<td>-39.3</td>
<td>-26.2</td>
<td>-27.5</td>
<td>2.4</td>
<td>52.0</td>
</tr>
<tr>
<td>5</td>
<td>Corporate and foreign bonds</td>
<td>0.0</td>
<td>4.0</td>
<td>10.0</td>
<td>9.8</td>
<td>22.8</td>
<td>6.6</td>
</tr>
<tr>
<td>6</td>
<td>Miscellaneous assets (2)</td>
<td>23.0</td>
<td>10.6</td>
<td>15.6</td>
<td>24.5</td>
<td>65.2</td>
<td>53.3</td>
</tr>
<tr>
<td>7</td>
<td>Investment in foreign banking offices</td>
<td>3.9</td>
<td>-6.6</td>
<td>-0.5</td>
<td>6.7</td>
<td>13.7</td>
<td>14.3</td>
</tr>
<tr>
<td>8</td>
<td>Investment in brokers and dealers</td>
<td>19.2</td>
<td>17.2</td>
<td>16.1</td>
<td>17.8</td>
<td>51.5</td>
<td>38.9</td>
</tr>
<tr>
<td>9</td>
<td>Net increase in liabilities</td>
<td>59.4</td>
<td>-14.6</td>
<td>31.1</td>
<td>9.2</td>
<td>117.7</td>
<td>122.3</td>
</tr>
<tr>
<td>10</td>
<td>Credit market instruments</td>
<td>16.2</td>
<td>6.3</td>
<td>23.1</td>
<td>34.9</td>
<td>64.1</td>
<td>80.7</td>
</tr>
<tr>
<td>11</td>
<td>Open market paper</td>
<td>4.5</td>
<td>-7.3</td>
<td>3.0</td>
<td>10.5</td>
<td>34.9</td>
<td>50.1</td>
</tr>
<tr>
<td>12</td>
<td>Corporate bonds</td>
<td>11.7</td>
<td>13.6</td>
<td>20.0</td>
<td>24.4</td>
<td>29.2</td>
<td>30.6</td>
</tr>
<tr>
<td>13</td>
<td>Miscellaneous liabilities</td>
<td>43.3</td>
<td>-21.0</td>
<td>8.1</td>
<td>-25.8</td>
<td>53.6</td>
<td>41.6</td>
</tr>
<tr>
<td>14</td>
<td>Foreign direct investment in U.S.</td>
<td>6.9</td>
<td>4.3</td>
<td>-7.5</td>
<td>-10.4</td>
<td>1.1</td>
<td>-27.4</td>
</tr>
<tr>
<td>15</td>
<td>Securities loaned (net)</td>
<td>50.6</td>
<td>43.6</td>
<td>24.6</td>
<td>-5.5</td>
<td>59.9</td>
<td>57.2</td>
</tr>
<tr>
<td>16</td>
<td>Other</td>
<td>-14.2</td>
<td>-68.8</td>
<td>-9.0</td>
<td>-9.9</td>
<td>-7.4</td>
<td>11.9</td>
</tr>
</tbody>
</table>

(1) Funding subsidiaries, nonbank financial holding companies, and custodial accounts for reinvested collateral of securities lending operations.
(2) Due from affiliated companies.
### Table F.131 Funding Corporations

<table>
<thead>
<tr>
<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Net acquisition of financial assets by funding corporations</td>
<td>504090005</td>
<td>122.3</td>
<td>Sum of lines 2, 3, and 6.</td>
</tr>
<tr>
<td>2. Change in money market mutual fund shares held in custodial accounts for reinvested collateral backing securities lending operations</td>
<td>503034003</td>
<td>10.4</td>
<td>Unadjusted flow estimated by FOF Section on the basis of the percentage change in total balances in institution-only money market mutual funds (provided by ICI). Level is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>3. Change in credit market assets of funding corporations</td>
<td>504004005</td>
<td>58.6</td>
<td>Sum of lines 4 and 5.</td>
</tr>
<tr>
<td>4. Change in open market paper held by funding corporations</td>
<td>503069105</td>
<td>52.0</td>
<td>Sum of lines 4a through 4f, less lines 4g through 4z. Funding corporations are the residual holder of commercial paper in the flow of funds accounts.</td>
</tr>
<tr>
<td>4a. Change in commercial paper liabilities of nonfarm nonfinancial corporate business</td>
<td>103169700</td>
<td>13.7</td>
<td>Level from FR Board, Capital Markets Section, daily statistical release Commercial Paper, table Commercial Paper Outstanding, section Not Seasonally Adjusted Data, column Nonfinancial domestic, Month-end outstandings. Series is compiled by FR Board using data obtained from the Depository Trust Company. Unadjusted flow is the change in the level; seasonally adjusted flow is derived from seasonally adjusted levels shown in the same statistical release.</td>
</tr>
<tr>
<td>4b. Change in commercial paper liabilities of foreign financial companies to U.S. residents</td>
<td>263169103</td>
<td>6.0</td>
<td>Level from FR Board, Capital Markets Section, daily statistical release Commercial Paper, table Commercial Paper Outstanding, section Not Seasonally Adjusted Data, column Financial, Foreign, month-end outstandings. Series is compiled by FR Board from data obtained from the Depository Trust Company. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>Component</td>
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</tr>
<tr>
<td>4c. Change in commercial paper liabilities of foreign nonfinancial companies to U.S. residents</td>
<td>263169700</td>
<td>-2.3</td>
<td>Level from FR Board, Capital Markets Section, daily statistical release Commercial Paper, table Commercial Paper Outstanding, section Not Seasonally Adjusted Data, column Nonfinancial, Foreign, month-end outstandings. Series is compiled by FR Board from data obtained from the Depository Trust Company. Unadjusted flow is the change in the level; seasonally adjusted flow is derived from seasonally adjusted levels shown in the same release.</td>
</tr>
<tr>
<td>4d. Change in acceptance liabilities of U.S.-chartered commercial banks</td>
<td>723169603</td>
<td>-.3</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC, Bank’s liability on acceptances executed and outstanding (series RCON2920). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<tr>
<td>4e. Change in acceptance liabilities of foreign banking offices in the U.S.</td>
<td>753169600</td>
<td>-2.4</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule RAL, Branch or agency liability on acceptances executed and outstanding (series RCFD2920); for Edge and agreement corporations, schedule RC, Liability on acceptances executed and outstanding (RCFD2920); and for New York State investment companies (through 1996:Q2), main schedule, Investment company liabilities on acceptances executed and outstanding (RCON2920). Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>4f. Change in commercial paper liabilities of financial institutions</td>
<td>793169103</td>
<td>169.4</td>
<td>Level from FR Board, Capital Markets Section, daily statistical release Commercial Paper, table Commercial Paper Outstanding, section Not Seasonally Adjusted Data, column Financial domestic, month-end outstandings. Series is compiled by FR Board from data obtained from the Depository Trust Company. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### Table F.131  Funding Corporations—Continued

<table>
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<th>Component</th>
<th>Code</th>
<th>1997 value (billions of dollars)</th>
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<tr>
<td>4g. Change in open market paper held by nonprofit organizations (households and nonprofit organizations sector)</td>
<td>163069103</td>
<td>7.0</td>
<td>Beginning 1987:Q4, level is the sum of data for private foundations and 501(c)(3)–(9) organizations. For private foundations, year-end level from SOI Bulletin, annual article Private Foundations and Charitable Trusts, table 3, All Private Foundations: Income Statements and Balance Sheets, by Size of Fair Market Value of Total Assets, section on assets at fair market value, percentage of Savings and temporary cash investments; percentage determined using distribution of assets of private foundations from an FOF panel data set. For 501(c)(3)–(9) organizations, year-end level from SOI Bulletin, annual article Charities and Other Tax-Exempt Organizations, table 3, Form 990 Returns of Organizations Tax-Exempt under Internal Revenue Code Sections 501(c)(3)–(9): Selected Income Statement and Balance Sheet Items, by Code Section, percentage of Investments in securities; percentage determined using data from the Money Market Directory of Tax-Exempt Organizations. Data are annual; series is converted to quarterly and estimated for current periods by FOF Section. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Before 1987:Q4, series was calculated as a residual.</td>
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<tr>
<td>4h. Change in commercial paper held by nonfarm nonfinancial corporate business</td>
<td>103069100</td>
<td>3.2</td>
<td>Beginning 1975:Q1, level from QFR, table 45.1, Commercial and finance company paper of U.S. issuers, multiplied by the most recent benchmark ratio equal to 1 plus the ratio of total assets of nonfarm nonfinancial corporations in the services industry reported in SOI Source Book, Corporation Income Tax Returns, Returns with and without net income, table Services, line 2, Total assets, to QFR, table 16.1, Total assets, for the same time period. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>Component</td>
<td>Code</td>
<td>1997 value (billions of dollars)</td>
<td>Explanation</td>
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<tr>
<td>4i. Change in open market paper held by state and local governments, excluding employee retirement funds</td>
<td>213069103</td>
<td>11.3</td>
<td>Level is FOF Section estimate based on information on commercial paper held from financial reports of the states that hold the majority of the financial assets of the sector. For each state, the reports comprise the comprehensive annual financial report, reports on investment pools of the state and its local governments, and financial statements of the retirement funds for the state. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>4j. Change in U.S. open market paper held by the rest of the world</td>
<td>263069603</td>
<td>19.9</td>
<td>Unadjusted flow and level from SCB, USIT table 9, sum of line A13, Foreign official assets in the U.S., Banks’ custody liabilities, payable in dollars; and line B24, Negotiable and readily transferable instruments, less memorandum line 8, Negotiable certificates of deposit held for foreigners. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>4k. Change in acceptances held by Federal Reserve Banks (monetary authority sector)</td>
<td>713069603</td>
<td>.0</td>
<td>Level from FR Bulletin, table 1.18, former line 6, Acceptances bought outright, end-of-month data. Unadjusted flow is the change in the level. Quarterly values for the series are zero beginning 1977:Q4 for levels and 1978:Q1 for flows; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>4l. Change in commercial paper held by U.S.-chartered commercial banks</td>
<td>723069703</td>
<td>-.3</td>
<td>Through 1997:Q4, level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-D, Commercial paper in domestic offices (RCON3539). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data. Through 1996:Q4, the series consists of commercial paper held in portfolio and in trading accounts by U.S.-chartered commercial banks; from 1997:Q1 through 1997:Q4, data are for commercial paper held in trading accounts only. Quarterly values for the series are zero beginning 1998:Q1 for levels and 1998:Q2 for flows; commercial paper held by the banks is now included with other debt securities in the quarterly Report of Condition, schedules RC-B (line 5a) and RC-D (line 5).</td>
</tr>
</tbody>
</table>
### Table F.131  Funding Corporations—Continued

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>4m. Change in bankers acceptances held by U.S.-chartered commercial banks</td>
<td>723069603</td>
<td>-.3</td>
<td>Level from quarterly Report of Condition for U.S.-chartered commercial banks, schedule RC-C, Acceptances of other banks (sum of series RCON11756 and RCON11757). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>4n. Change in open market paper held by foreign banking offices in the U.S.</td>
<td>753069603</td>
<td>-.2</td>
<td>Level from quarterly Reports of Condition: for U.S. branches and agencies of foreign banks, schedule C, sum of Acceptances of U.S. banks (series RCON11756) and Acceptances of foreign banks (RCON11757); and for New York State investment companies (through 1996:Q2), schedule A, Holdings of acceptances of other banks (RCON11593). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>4o. Change in open market paper held by savings institutions that submit reports of condition to the Office of Thrift Supervision</td>
<td>443069153</td>
<td>.0</td>
<td>Level from Thrift Financial Report for periods before 1990:Q1; beginning with that quarter the data are not shown separately and are included with corporate bonds in the report. Unadjusted flow is the change in the level. Quarterly values for the series are zero for both levels and flows beginning 1990:Q1; for earlier quarters, unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>4p. Change in open market paper held by savings institutions that submit reports of condition to the Federal Deposit Insurance Corporation</td>
<td>443069163</td>
<td>-.3</td>
<td>Level from quarterly Report of Condition for savings institutions that report to the FDIC, schedule RC-C, sum of Acceptances of other banks—U.S. banks (series RCON11756) and Acceptances of other banks—foreign banks (RCON11757). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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### Table F.131—Continued

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<tr>
<td>4q. Change in commercial paper held by the U.S. Central Credit Union (credit unions sector)</td>
<td>473069103</td>
<td>-.1</td>
<td>Level from U.S. Central Credit Union Consolidated Financial Statements and Supplemental Financial Information, table Supplemental Financial Information, Portfolio Structure, sum of columns Commercial paper and Corporate bonds and notes. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>4r. Change in open market paper held by bank personal trusts and estates</td>
<td>603069103</td>
<td>2.8</td>
<td>Year-end level from Trust Assets of Financial Institutions, table A-2, section Trusts and Estates, columns Personal trusts and Estates, line 8, Other short-term obligations, plus a portion of line 16, Total non-discretionary assets. Data are annual; series is converted to quarterly and estimated for current periods by FOF Section. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>4s. Change in open market paper held by life insurance companies</td>
<td>543069100</td>
<td>17.5</td>
<td>Beginning 1997:Q4, level from tabulation by A.M. Best Company of NAIC quarterly and annual statements for life, accident, and health insurance companies. Year-end level is a percentage of total short-term investments, which equals the sum of Annual Statement, table Assets, a portion of line 8, Cash and short-term investments, and Separate Accounts Statement, table Assets, line 7, Short-term investments. Percentage is estimated using data on the composition of short-term securities reported in the Life Insurance Fact Book. Level for other quarters is a percentage of total short-term investments, which is the sum of Quarterly Statement, table Assets, a portion of line 8, Cash and short-term investments, and FOF Section estimate of commercial paper in separate accounts. Before 1997:Q4, level from Distribution of Investments of U.S. Life Insurance Companies, column Combined account, Securities, Corporate—one year or less, sum of U.S. and Foreign. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
</tbody>
</table>
Table F.131  Funding Corporations—Continued

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<tr>
<td>4t. Change in open market paper held by private pension funds</td>
<td>573069103</td>
<td>2.0</td>
<td>Year-end level from FOF Section tabulation of data (provided on tape by DOL) from IRS/DOL/PBGC Form 5500. Annual Return/Report of Employee Benefit Plan, estimated as a portion of the sum of lines 31c(11), Value of interest in common/collective trusts, 31c(13), Value of interest in master trusts, and 31c(14), Value of interest in 103-12 investment entities; plus a portion of the sum of lines 31c(4A) and 31c(4B), Corporate debt instruments. Data are annual and are available with a lag of several years; series is converted to quarterly and estimated for current periods using Independent Consultants Cooperative data on assets of employee benefit plans obtained from Bankers Trust Company. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>4u. Change in open market paper held by state and local government employee retirement funds</td>
<td>223069100</td>
<td>–2.6</td>
<td>Fiscal-year-end level from Employee Retirement Systems of State and Local Governments, table 1, National Summary of State and Local Government Employee-Retirement System Finances, Time, savings deposits, and nonfederal short-term investments, allocated among cash balances, security repurchase agreements, and open market paper using the distribution of assets reported in Quarterly Survey of the Finances of Public-Employee Retirement Systems (data provided by Bureau of the Census); estimated as one-half the portion of the total not allocated to cash balances. Data were formerly published annually, with a lag of several years; latest volume available is part of the 1992 quinquennial Census of Governments. Series is converted to quarterly and estimated for current periods using data from the quarterly survey cited above, part II, line A.3, 50 percent of All other short-term investments. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>4v. Change in commercial paper held by money market mutual funds</td>
<td>633069700</td>
<td>59.5</td>
<td>Level from Trends in Mutual Fund Activity, table 8, Month-End Portfolio Holdings of Taxable Money Market Funds, Commercial paper, less an adjustment for variable annuity plans invested in money market mutual fund shares based on unpublished data from ICI. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
</tbody>
</table>
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<tr>
<td>4w. Change in bankers acceptances held by money market mutual funds</td>
<td>633069603</td>
<td>2.6</td>
<td>Level from Trends in Mutual Fund Activity, table 8, Month-End Portfolio Holdings of Taxable Money Market Funds, Bankers acceptances, less an adjustment for variable annuity plans invested in money market mutual fund shares based on unpublished data from ICI. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>4x. Change in open market paper held by mutual funds</td>
<td>653069100</td>
<td>10.6</td>
<td>Level from ICI Supplementary Data, tables Composition of Net Assets for all categories of funds, 50 percent of line 10, Cash and receivables minus liabilities, less an adjustment for variable annuity plans based on unpublished data from ICI. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>4y. Change in open market paper held by government-sponsored enterprises</td>
<td>403069600</td>
<td>-1.1</td>
<td>Level from FHLBs, Statements of Condition, column Combined, Investments and term federal funds sold, unpublished detail provided to FR Board by Federal Housing Finance Board, sum of Commercial paper and bank notes, Certificates of deposit and Eurodollar deposits, and Bankers acceptances; plus, from Fannie Mae, Investor/Analyst Report, Balance Sheets, Investments, multiplied by the ratio of the sum of Commercial paper and Eurodollar time deposits to Total investments from Notes to Financial Statements, note 4, Investments, in the most recent annual report; plus, from Freddie Mac, Consolidated Balance Sheets, Investments, multiplied by the ratio of Eurodollar time deposits to Total investments from Notes to Financial Statements in the annual report that last showed Eurodollar time deposits separately; plus, from Sallie Mae, Information Statement, Notes to Consolidated Financial Statements, note 6, Cash and investments, Commercial paper. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>4z. Change in open market paper held by security brokers and dealers</td>
<td>663069103</td>
<td>.6</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports, Bankers acceptances, certificates of deposit, and commercial paper (series F370). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>5. Change in corporate and foreign bonds held in custodial accounts for reinvested collateral backing securities lending operations</td>
<td>503063003</td>
<td>6.6</td>
<td>Level is FOF Section estimate based on collateral repayable and money market mutual fund shares held by funding corporations. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>6. Change in total miscellaneous assets of funding corporations</td>
<td>503090005</td>
<td>53.3</td>
<td>Sum of lines 7 and 8.</td>
</tr>
<tr>
<td>7. Funds raised in commercial paper markets by U.S. funding subsidiaries of foreign-bank parent companies and invested by the funding subsidiaries in the parents' foreign banking office subsidiaries in the U.S.</td>
<td>503094753</td>
<td>14.3</td>
<td>Level from FR Board, Capital Markets Section, daily statistical release Commercial Paper, table Commercial Paper Outstanding, Miscellaneous Categories, section Financial Companies, column Domestic issuers, Foreign bank parent, month-end outstandings. Series is compiled by FR Board from data obtained from the Depository Trust Company. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>8. Investment in security broker and dealer subsidiaries by investment banks that are holding-company parents</td>
<td>503094665</td>
<td>38.9</td>
<td>Line 8a plus the proceeds of bond issuance (equal to line 12) downstreamed to broker–dealer subsidiaries by investment banks that are holding-company parents of the subsidiaries.</td>
</tr>
<tr>
<td>8a. Funds raised in commercial paper markets by investment banks that are holding-company parents and invested by them in security broker and dealer subsidiaries</td>
<td>503094663</td>
<td>8.4</td>
<td>Through 1997:Q2, level is FOF Section estimate based on FR Bank of New York, Market Reports Division, monthly commercial paper release, table II, line II, Total amount of commercial paper placed by the reporting dealer that is issued by the reporting dealer firm, its affiliates, or its parent. From 1997:Q3 onward, level estimated by FOF Section as the ratio of the value of this series for 1997:Q2 to corporate bond liabilities of investment banks and security brokers and dealers (FOF series 663163503, line 12a below), for 1997:Q2, multiplied by corporate bond liabilities of investment banks and security brokers and dealers for the current quarter. Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
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</tr>
<tr>
<td>9. Net increase in liabilities of funding corporations</td>
<td>504190005</td>
<td>122.3</td>
<td>Sum of lines 10 and 13.</td>
</tr>
<tr>
<td>10. Change in credit market debt of funding corporations</td>
<td>504104005</td>
<td>80.7</td>
<td>Sum of lines 11 and 12.</td>
</tr>
<tr>
<td>11. Change in commercial paper liabilities of funding corporations</td>
<td>503169105</td>
<td>50.1</td>
<td>Line 4f less lines 11a, 11b, 11c, and 11d.</td>
</tr>
<tr>
<td>11a. Change in commercial paper liabilities of bank holding companies</td>
<td>733169103</td>
<td>6.0</td>
<td>Through 1997:Q2, level from FR 2416 report, Memorandum item, Commercial paper outstanding issued by related institutions of the reporting bank, sum of Issued through commercial paper brokers and dealers (series WRBK2421) and Issued directly (WRBK2423); for 1997:Q3 onward, level from FR Y-9LP report, schedule PC, Borrowings with a remaining maturity of one year or less, Commercial paper (BHCP2309). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>11b. Change in commercial paper liabilities of issuers of asset-backed securities</td>
<td>673169100</td>
<td>89.4</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from FR quinquennial benchmark surveys and monthly surveys of a sample of finance companies. Series is shown in FR Bulletin, table 1.51, line 11, Commercial paper. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
</tr>
<tr>
<td>11c. Change in commercial paper liabilities of finance companies</td>
<td>613169100</td>
<td>23.9</td>
<td>Level estimated by FR Board, Financial Institutions Section, on the basis of data from FR quinquennial benchmark surveys and monthly surveys of a sample of finance companies. Series is shown in FR Bulletin, table 1.51, line 11, Commercial paper. Unadjusted flow is the change in the level; seasonally adjusted flow is obtained using X-11-ARIMA procedure.</td>
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</table>
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<tr>
<td>11d. Change in commercial paper liabilities of real estate investment trusts</td>
<td>643169103</td>
<td>0</td>
<td>Year-end level estimated by FOF Section as a proportion of Unsecured debt from NAREIT Industry Statistics, Industry Balance Sheet, Liabilities, based on historical ratio of commercial paper to secured debt from data formerly published. Unadjusted quarterly flow estimated as a proportion of equity and debt issuance from REITWatch; level for other quarters is obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>12. Change in corporate bond liabilities of investment banks that are holding-company parents</td>
<td>503163005</td>
<td>30.6</td>
<td>Line 12a less line 12b.</td>
</tr>
<tr>
<td>12a. Change in corporate bond liabilities of investment banks and security brokers and dealers</td>
<td>663163503</td>
<td>38.6</td>
<td>Unadjusted flow equal to gross corporate bond issuance of investment banks and security brokers and dealers obtained from Securities Data Company, less FOF Section estimate of retirements. Level obtained by adding flow to preceding level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>12b. Change in corporate bond liabilities of security brokers and dealers</td>
<td>663163003</td>
<td>8.1</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports, Notes and mortgages payable (sum of series F1690 and F1700). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>13. Change in total miscellaneous liabilities of funding corporations</td>
<td>503190005</td>
<td>41.6</td>
<td>Sum of lines 14, 15, and 16.</td>
</tr>
<tr>
<td>14. Foreign direct investment in U.S. funding corporations</td>
<td>503192005</td>
<td>−27.4</td>
<td>Line 1 less lines 10, 15, and 16. This series represents funds transferred to foreign parent companies by U.S. funding subsidiaries. The data in this line are shown with sign reversed because direct investment is considered to be the asset of the parent firm; in this case the parent owes the subsidiary.</td>
</tr>
</tbody>
</table>
Table F.131—Continued

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<tr>
<td>15. Change in liabilities of funding corporations for collateral repayable to security brokers and dealers</td>
<td>663096505</td>
<td>57.2</td>
<td>Line 15a less line 15b. Collateral repayable represents the collateral provided by security brokers and dealers and held in custodial accounts when the dealers borrow securities to cover short sales or delivery failures; a corresponding asset for collateral receivable is shown for the brokers and dealers. The collateral is assumed to be reinvested in money market mutual fund shares (line 2 above), commercial paper (a portion of line 4), and corporate bonds (line 5); it is returned to the brokers and dealers when the borrowed securities are returned.</td>
</tr>
<tr>
<td>15a. Change in receivables owed to security brokers and dealers by brokers or dealers and clearing organizations (largely cash collateral associated with securities lending transactions)</td>
<td>663070663</td>
<td>129.1</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports. Receivables from brokers or dealers and clearing organizations (sum of series F770, F780, F790, F800, and F810). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>15b. Change in payables owed by security brokers and dealers to brokers or dealers and clearing organizations (largely cash collateral associated with securities lending transactions)</td>
<td>663170663</td>
<td>72.0</td>
<td>Level from SEC tabulation of submissions of FOCUS and FOGS reports. Payable to brokers or dealers and clearing organizations (sum of series F1490, F1500, F1510, F1520, F1530, F1540, F1550, F1560, and F1570). Unadjusted flow is the change in the level. Data for the most recent ten years of the series show no significant seasonality; unadjusted flow is converted from quarterly rate to annual rate and used as seasonally adjusted flow in FOF reports of seasonally adjusted data.</td>
</tr>
<tr>
<td>16. Change in unidentified miscellaneous liabilities of funding corporations</td>
<td>503193005</td>
<td>11.9</td>
<td>Line 4, less line 15 net of lines 2 and 5. The unidentified miscellaneous liabilities are assumed to fund commercial paper held by funding corporations that is not part of the reinvested collateral backing the securities lending operations described in line 15.</td>
</tr>
</tbody>
</table>