



## International Economic Accounts Overview

The Bureau of Economic Analysis (BEA) prepares and publishes estimates of transactions between U.S. and foreign residents and of the value of accumulated stocks of U.S.-owned assets abroad and of foreign-owned assets in the United States. These estimates are presented in the international transactions accounts and the international investment position accounts. In addition, BEA has work programs devoted to international services, to direct investment, and to research and analysis.

### International transactions accounts (balance of payments)

The international transactions accounts (ITAs) are a quarterly statistical summary of transactions between U.S. and foreign residents organized into three major categories: The current account, the capital account, and the financial account. The current account records exports and imports of goods, services, income, and current transfers. The capital account records capital transfers, such as debt forgiveness. The financial account records transactions for official assets, for U.S. government assets other than official reserve assets, for direct investment, for portfolio investment, and for other investment.

### International investment position accounts

The international investment position (IIP) is an annual statistical summary of the value of accumulated stocks of U.S.-owned assets abroad and of foreign-owned assets in the United States, as well as the value of the net IIP of the United States. Separate estimates are available for the value of accumulated stocks of official assets, of U.S. government assets other than official reserve assets, of direct investment, of portfolio investment, and of other investment.

### International services

BEA provides annual statistical detail on U.S. cross-border exports and imports of private services and on services supplied by majority-owned U.S. and foreign affiliates of multinational companies (MNCs). U.S. cross-border exports and imports are transactions between U.S. and foreign residents; they represent international trade in the conventional sense and are recorded in the ITAs. Services supplied to foreign residents by foreign affiliates of U.S. companies, and to U.S. residents by U.S. affiliates of foreign companies, are not recorded in the U.S. ITAs because these transactions are not between U.S. and foreign residents. However, they are published annually in an article in the October SURVEY OF CURRENT BUSINESS. In addition, sales of services by majority-owned U.S. and foreign affiliates of MNCs are reflected in an ownership-based framework of the U.S. current account, which BEA publishes annually.

### Direct investment and the activities of multinational companies

BEA produces comprehensive data on U.S. direct investment abroad and foreign direct investment in the United States that are essential to the compilation of the U.S. economic accounts and for the analysis of MNCs. For both types of investment, statistics are provided on transactions between parent companies and their affiliates, on direct investment positions (stocks), and on the financial and operating characteristics of the firms involved. In addition, detailed establishment-level statistics on foreign-owned firms are provided for selected years for which BEA links its enterprise-level (or company-level) data to the Census Bureau's establishment-level (or plant-level) data.

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### **Research and analysis**

BEA conducts a variety of research and analytical activities in support of the international accounts. The topics covered include all the areas in which it produces international statistics. The results of the research may be published in the SURVEY OF CURRENT BUSINESS, presented in outside publications, or used in-house to improve the accounts. Among the topics covered by recent research projects have been the research and development activities of U.S. MNCs and firms' foreign location decision-making processes.

### **For more information**

Call the Balance of Payments Division at 202-606-9545 or the Direct Investment Division at 202-606-9835, or e-mail <internationalaccounts@bea.gov>. For additional information about the international accounts, go to our Web site at <www.bea.gov>.