

# U.S. International Transactions

## Fourth Quarter and Year 2017

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The U.S. current-account deficit—a net measure of transactions between the United States and the rest of the world in goods, services, primary income, and secondary income—increased to \$128.2 billion (preliminary) in the fourth quarter of 2017 from \$101.5 billion (revised) in the third quarter (chart 1 and table A). The deficit was 2.6 percent of current-dollar gross domestic product (GDP) in the fourth quarter, up from 2.1 percent in the third quarter.

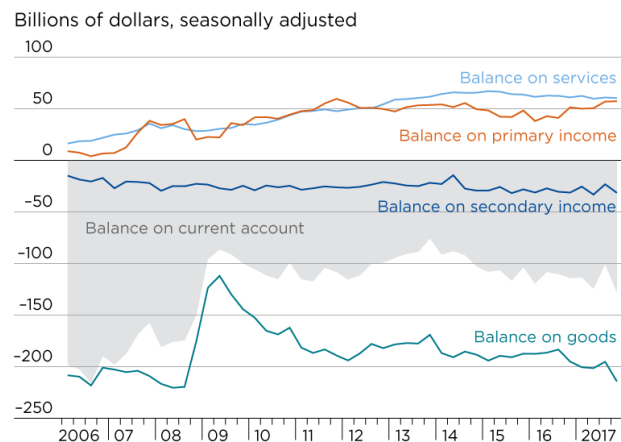
The \$26.7 billion increase in the current-account deficit mostly reflected increases in the deficits on goods and secondary income and a decrease in the surplus on primary income.

The annual current-account deficit increased to \$466.2 billion (preliminary) in 2017 from \$451.7 billion in 2016. The deficit was 2.4 percent of current-dollar GDP in 2017, the same percentage as in 2016.

Net U.S. borrowing measured by financial-account transactions was \$29.8 billion in the fourth quarter, a decrease from net borrowing of \$121.8 billion in the third quarter.

Net U.S. borrowing measured by financial-account transactions was \$349.2 billion in 2017, a decrease from net borrowing of \$377.7 billion in 2016.

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



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**Table A. U.S. International Transactions**  
**[Millions of dollars, seasonally adjusted]**

	2017				Change 2017:III to 2017:IV
	I <sup>r</sup>	II <sup>r</sup>	III <sup>r</sup>	IV <sup>p</sup>	
<b>Current account</b>					
<b>Exports of goods and services and income receipts (credits)</b>	<b>833,304</b>	<b>833,996</b>	<b>862,133</b>	<b>878,755</b>	<b>16,622</b>
Exports of goods and services	574,672	574,424	582,983	599,519	16,536
Goods	382,121	381,422	386,507	400,670	14,163
Services	192,551	193,002	196,476	198,849	2,373
Primary income receipts	219,580	225,412	237,925	243,945	6,020
Secondary income (current transfer) receipts	39,052	34,160	41,225	35,291	-5,934
<b>Imports of goods and services and income payments (debits)</b>	<b>946,175</b>	<b>957,738</b>	<b>963,608</b>	<b>1,006,913</b>	<b>43,305</b>
Imports of goods and services	712,516	715,870	718,248	753,406	35,158
Goods	582,503	582,694	581,804	614,931	33,127
Services	130,014	133,176	136,445	138,474	2,029
Primary income payments	169,152	174,533	179,430	186,749	7,319
Secondary income (current transfer) payments	64,507	67,335	65,930	66,758	828
<b>Capital account</b>					
<b>Capital transfer receipts and other credits</b>	<b>0</b>	<b>0</b>	<b>24,868</b>	<b>0</b>	<b>-24,868</b>
<b>Capital transfer payments and other debits</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>20</b>	<b>20</b>
<b>Financial account</b>					
<b>Net U.S. acquisition of financial assets excluding financial derivatives (net increase in assets / financial outflow (+))</b>	<b>332,387</b>	<b>351,460</b>	<b>350,653</b>	<b>177,861</b>	<b>-172,792</b>
Direct investment assets	123,719	97,210	96,734	106,755	10,021
Portfolio investment assets	140,446	186,482	179,260	83,330	-95,930
Other investment assets	68,464	67,618	74,720	-10,685	-85,405
Reserve assets	-241	150	-61	-1,539	-1,478
<b>Net U.S. incurrence of liabilities excluding financial derivatives (net increase in liabilities / financial inflow (+))</b>	<b>417,760</b>	<b>470,708</b>	<b>491,010</b>	<b>208,437</b>	<b>-282,573</b>
Direct investment liabilities	97,703	93,205	103,675	54,091	-49,584
Portfolio investment liabilities	164,522	291,264	296,404	84,860	-211,544
Other investment liabilities	155,535	86,238	90,932	69,486	-21,446
<b>Financial derivatives other than reserves, net transactions</b>	<b>-2,320</b>	<b>9,306</b>	<b>18,600</b>	<b>777</b>	<b>-17,823</b>
<b>Statistical discrepancy</b>					
<b>Statistical discrepancy<sup>1</sup></b>	<b>25,179</b>	<b>13,800</b>	<b>-45,150</b>	<b>98,379</b>	<b>143,529</b>
<b>Balances</b>					
<b>Balance on current account</b>	<b>-112,871</b>	<b>-123,742</b>	<b>-101,475</b>	<b>-128,158</b>	<b>-26,683</b>
Balance on goods and services	-137,845	-141,446	-135,265	-153,886	-18,621
Balance on goods	-200,382	-201,272	-195,297	-214,261	-18,964
Balance on services	62,538	59,826	60,032	60,375	343
Balance on primary income	50,429	50,879	58,495	57,195	-1,300
Balance on secondary income	-25,455	-33,175	-24,706	-31,467	-6,761
<b>Balance on capital account</b>	<b>-1</b>	<b>0</b>	<b>24,868</b>	<b>-20</b>	<b>-24,888</b>
<b>Net lending (+) or net borrowing (-) from current- and capital-account transactions<sup>2</sup></b>	<b>-112,872</b>	<b>-123,742</b>	<b>-76,608</b>	<b>-128,178</b>	<b>-51,570</b>
<b>Net lending (+) or net borrowing (-) from financial-account transactions<sup>3</sup></b>	<b>-87,693</b>	<b>-109,942</b>	<b>-121,757</b>	<b>-29,799</b>	<b>91,958</b>

**p** Preliminary

**r** Revised

1. The statistical discrepancy is the difference between net acquisition of financial assets and net incurrence of liabilities in the financial account (including financial derivatives) less the difference between total credits and total debits recorded in the current and capital accounts.

2. Sum of current- and capital-account balances.

3. Sum of net U.S. acquisition of financial assets and net transactions in financial derivatives less net U.S. incurrence of liabilities.

Note. The statistics are presented in [table 1.2](#) on BEA's Web site.

## Data Availability and Methodology

Detailed statistics for U.S. international transactions accompany this article in tables 1.1–9.1. The statistics and a description of the estimation methods used to compile them are also available on BEA's Web site.

The links in the text and tables of this article are to the latest available statistics in the interactive tables.

For the statistics, see "[International Data](#)." For the methods, see [U.S. International Economic Accounts: Concepts and Methods](#).

## Fourth-Quarter Overview

### Current-account highlights

- The deficit on goods increased \$19.0 billion in the fourth quarter to \$214.3 billion.
- The deficit on secondary income increased \$6.8 billion to \$31.5 billion.
- The surplus on primary income decreased \$1.3 billion to \$57.2 billion.
- The surplus on services increased \$0.3 billion to \$60.4 billion.

### Capital-account highlights

The balance on the capital account shifted to a deficit of less than \$0.1 billion in the fourth quarter from a surplus of \$24.9 billion in the third quarter. Third-quarter transactions reflected receipts from foreign insurance companies for losses resulting from hurricanes Harvey, Irma, and Maria.<sup>1</sup>

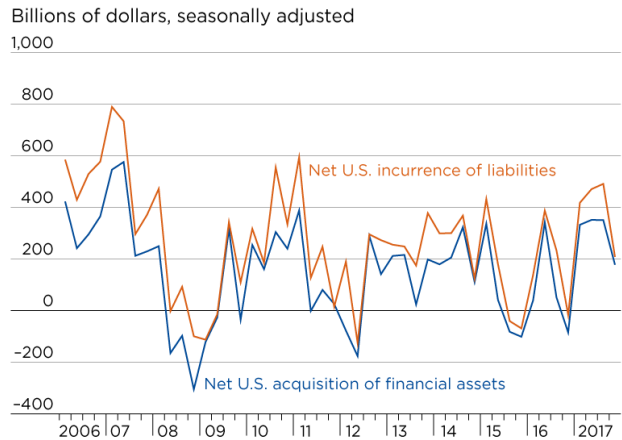
### Financial-account highlights

- Net U.S. acquisition of financial assets excluding financial derivatives decreased \$172.8 billion to \$177.9 billion (chart 2).
- Net U.S. incurrence of liabilities excluding financial derivatives decreased \$282.6 billion to \$208.4 billion.
- Transactions in financial derivatives other than reserves reflected fourth-quarter net lending of \$0.8 billion, a decrease of \$17.8 billion from the third quarter.

### Statistical discrepancy

The statistical discrepancy was \$98.4 billion in the fourth quarter; it was -\$45.2 billion in the third quarter.

**Chart 2. Acquisition of Financial Assets and Incurrence of Liabilities Excluding Financial Derivatives**



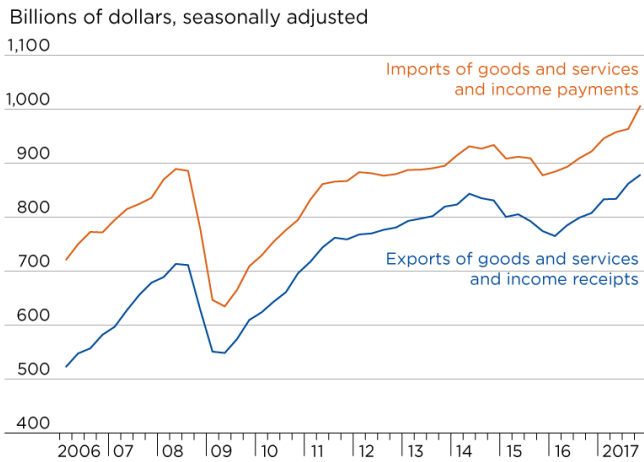
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# Fourth-Quarter Current Account—Exports of Goods and Services and Income Receipts

Exports of goods and services and income receipts increased \$16.6 billion, or 1.9 percent, in the fourth quarter to \$878.8 billion (charts 3 and 4 and table B).

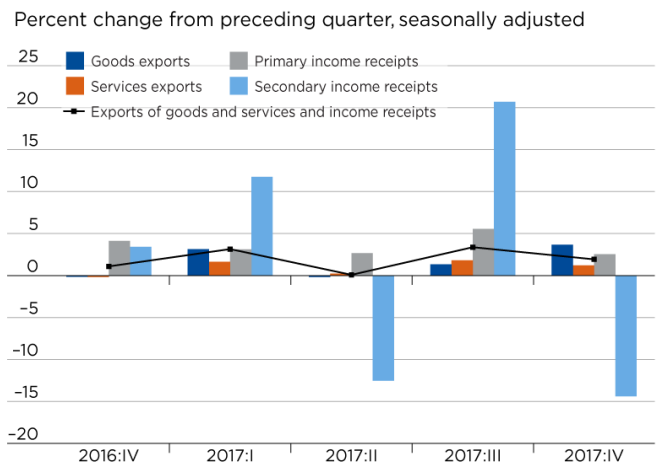
- Goods exports increased \$14.2 billion, or 3.7 percent, to \$400.7 billion, mostly reflecting an increase in industrial supplies and materials, primarily petroleum and products.
- Primary income receipts increased \$6.0 billion, or 2.5 percent, to \$243.9 billion, mostly reflecting increases in direct investment income and in portfolio investment income.
- Secondary income receipts decreased \$5.9 billion, or 14.4 percent, to \$35.3 billion, partly offsetting the increases in goods exports and in primary income receipts. The decrease in secondary income receipts mostly reflected a decrease in U.S. government transfers, primarily fines and penalties.

### Chart 3. Current-Account Transactions



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### Chart 4. Percent Change in Exports of Goods and Services and Income Receipts



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**Table B. Exports of Goods and Services and Income Receipts**  
**[Millions of dollars, seasonally adjusted]**

	2017				Change 2017:III to 2017:IV
	I <sup>r</sup>	II <sup>r</sup>	III <sup>r</sup>	IV <sup>p</sup>	
<b>Exports of goods and services and income receipts</b>	<b>833,304</b>	<b>833,996</b>	<b>862,133</b>	<b>878,755</b>	<b>16,622</b>
<b>Exports of goods</b>	<b>382,121</b>	<b>381,422</b>	<b>386,507</b>	<b>400,670</b>	<b>14,163</b>
General merchandise	375,870	375,668	381,519	395,874	14,355
Foods, feeds, and beverages	32,376	34,016	35,057	31,467	-3,590
Industrial supplies and materials	110,283	109,540	110,421	123,491	13,070
Energy products	37,588	37,795	37,969	45,769	7,800
<i>Of which: Petroleum and products</i>	31,655	31,983	32,394	39,994	7,600
Nonenergy products	72,695	71,745	72,452	77,722	5,270
Capital goods except automotive	129,765	130,542	135,194	137,596	2,402
Automotive vehicles, parts, and engines	40,236	39,171	38,716	39,431	715
Consumer goods except food and automotive	49,862	48,762	48,789	49,858	1,069
Other general merchandise	13,347	13,637	13,341	14,031	690
Net exports of goods under merchandising	75	65	47	54	7
Nonmonetary gold	6,175	5,689	4,941	4,742	-199
<b>Exports of services <sup>1</sup></b>	<b>192,551</b>	<b>193,002</b>	<b>196,476</b>	<b>198,849</b>	<b>2,373</b>
Maintenance and repair services n.i.e.	6,969	6,611	6,179	6,157	-22
Transport	21,427	21,196	21,772	22,153	381
Travel (for all purposes including education)	51,838	50,616	50,392	50,849	457
Business	9,913	9,685	9,262	9,698	436
Personal	41,925	40,931	41,130	41,152	22
Insurance services	4,106	4,308	4,630	4,771	141
Financial services	25,342	25,926	27,174	27,982	808
Charges for the use of intellectual property n.i.e.	29,830	31,671	33,188	33,247	59
Telecommunications, computer, and information services	9,619	9,533	9,824	9,961	137
Other business services	38,505	38,207	38,467	39,279	812
Government goods and services n.i.e.	4,916	4,934	4,850	4,449	-401
<b>Primary income receipts</b>	<b>219,580</b>	<b>225,412</b>	<b>237,925</b>	<b>243,945</b>	<b>6,020</b>
Investment income	217,934	223,758	236,264	242,284	6,020
Direct investment income	123,195	123,135	128,975	131,724	2,749
Portfolio investment income	82,171	85,666	90,534	93,047	2,513
Income on equity and investment fund shares	53,958	56,640	60,591	61,948	1,357
Interest on debt securities	28,214	29,026	29,943	31,100	1,157
Other investment income	12,509	14,822	16,632	17,431	799
Reserve asset income	59	135	123	82	-41
Compensation of employees	1,646	1,654	1,661	1,660	-1
<b>Secondary income (current transfer) receipts <sup>2</sup></b>	<b>39,052</b>	<b>34,160</b>	<b>41,225</b>	<b>35,291</b>	<b>-5,934</b>

**p** Preliminary  
**r** Revised  
**n.i.e.** Not included elsewhere

1. See also Alexis N. Grimm and Shari Allen, "U.S. International Services: Trade in Services in 2016 and Services Supplied Through Affiliates in 2015," *Survey of Current Business* 97 (October 2017).

2. Secondary income receipts include U.S. government and private transfers, such as fines and penalties, withholding taxes, insurance-related transfers, and other current transfers.

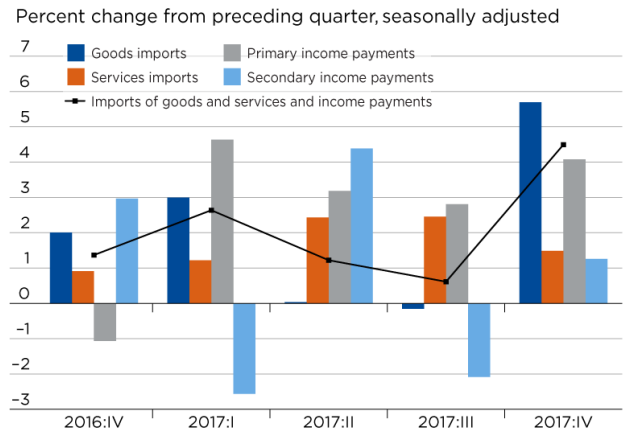
Note. The statistics are presented in [table 1.2](#), [table 2.1](#), [table 3.1](#), [table 4.1](#), and [table 5.1](#) on BEA's Web site.

## Fourth-Quarter Current Account—Imports of Goods and Services and Income Payments

Imports of goods and services and income payments increased \$43.3 billion, or 4.5 percent, to \$1,006.9 billion (charts 3 and 5 and table C).

- Goods imports increased \$33.1 billion, or 5.7 percent, to \$614.9 billion, mostly reflecting increases in industrial supplies and materials, primarily petroleum and products, and in consumer goods except food and automotive.
- Primary income payments increased \$7.3 billion, or 4.1 percent, to \$186.7 billion, primarily reflecting an increase in direct investment income.

**Chart 5. Percent Change in Imports of Goods and Services and Income Payments**



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**Table C. Imports of Goods and Services and Income Payments**  
**[Millions of dollars, seasonally adjusted]**

	2017				Change 2017:III to 2017:IV
	I <sup>r</sup>	II <sup>r</sup>	III <sup>r</sup>	IV <sup>p</sup>	
<b>Imports of goods and services and income payments</b>	<b>946,175</b>	<b>957,738</b>	<b>963,608</b>	<b>1,006,913</b>	<b>43,305</b>
<b>Imports of goods</b>	<b>582,503</b>	<b>582,694</b>	<b>581,804</b>	<b>614,931</b>	<b>33,127</b>
General merchandise	579,156	580,099	579,016	611,458	32,442
Foods, feeds, and beverages	33,731	34,453	35,103	35,544	441
Industrial supplies and materials	130,069	126,225	122,171	133,570	11,399
Energy products	59,512	52,497	48,407	55,648	7,241
<i>Of which: Petroleum and products</i>	55,746	47,984	44,197	51,447	7,250
Nonenergy products	70,557	73,728	73,764	77,922	4,158
Capital goods except automotive	153,142	157,790	163,473	169,290	5,817
Automotive vehicles, parts, and engines	91,022	89,368	88,997	90,520	1,523
Consumer goods except food and automotive	149,773	149,400	146,918	158,153	11,235
Other general merchandise	21,418	22,863	22,354	24,381	2,027
Nonmonetary gold	3,347	2,595	2,788	3,473	685
<b>Imports of services<sup>1</sup></b>	<b>130,014</b>	<b>133,176</b>	<b>136,445</b>	<b>138,474</b>	<b>2,029</b>
Maintenance and repair services n.i.e.	2,270	2,212	2,039	2,038	-1
Transport	25,201	25,136	25,072	25,808	736
Travel (for all purposes including education)	32,624	34,000	34,153	34,432	279
Business	4,037	4,125	4,165	4,348	183
Personal	28,587	29,874	29,988	30,084	96
Insurance services	11,839	12,364	12,677	12,818	141
Financial services	6,484	6,813	7,253	7,436	183
Charges for the use of intellectual property n.i.e.	11,726	12,105	12,041	12,481	440
Telecommunications, computer, and information services	9,956	9,758	10,148	10,360	212
Other business services	24,371	25,318	27,485	27,599	114
Government goods and services n.i.e.	5,542	5,471	5,576	5,503	-73
<b>Primary income payments</b>	<b>169,152</b>	<b>174,533</b>	<b>179,430</b>	<b>186,749</b>	<b>7,319</b>
Investment income	164,132	169,310	174,031	181,354	7,323
Direct investment income	48,874	49,564	49,442	54,088	4,646
Portfolio investment income	106,022	108,444	111,396	113,001	1,605
Income on equity and investment fund shares	35,271	36,036	36,711	36,661	-50
Interest on debt securities	70,751	72,408	74,684	76,339	1,655
Other investment income	9,235	11,301	13,193	14,265	1,072
Compensation of employees	5,020	5,223	5,398	5,395	-3
<b>Secondary income (current transfer) payments<sup>2</sup></b>	<b>64,507</b>	<b>67,335</b>	<b>65,930</b>	<b>66,758</b>	<b>828</b>

**p** Preliminary  
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**n.i.e.** Not included elsewhere

1. See also Alexis N. Grimm and Shari Allen, "U.S. International Services: Trade in Services in 2016 and Services Supplied Through Affiliates in 2015," *Survey of Current Business* 97 (October 2017).

2. Secondary income payments include U.S. government and private transfers, such as U.S. government grants and pensions, fines and penalties, withholding taxes, personal transfers (remittances), insurance-related transfers, and other current transfers.

Note. The statistics are presented in [table 1.2](#), [table 2.1](#), [table 3.1](#), [table 4.1](#), and [table 5.1](#) on BEA's Web site.

# Fourth-Quarter Financial Account

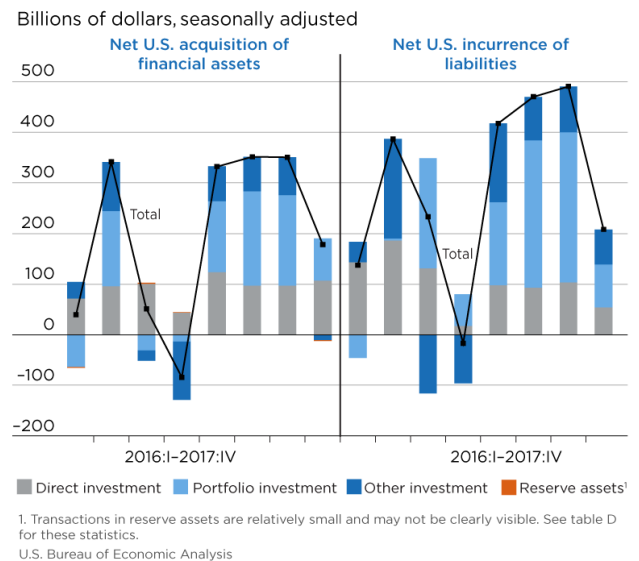
## Acquisition of financial assets

- Net U.S. acquisition of portfolio investment assets decreased \$95.9 billion to \$83.3 billion, reflecting a shift to net U.S. sales of foreign equity and investment fund shares from third-quarter net purchases (chart 6 and table D).
- Transactions in other investment assets shifted to net U.S. liquidation of \$10.7 billion in the fourth quarter from net acquisition of \$74.7 billion in the third quarter, mostly reflecting a shift to net foreign repayment of loans from third-quarter net U.S. provision of loans to foreigners.

## Incurrence of liabilities

- Net U.S. incurrence of portfolio investment liabilities decreased \$211.5 billion to \$84.9 billion, reflecting a decrease in net foreign purchases of U.S. long-term debt securities and a shift to net foreign sales of U.S. equity and investment fund shares from third-quarter net foreign purchases.
- Net U.S. incurrence of direct investment liabilities decreased \$49.6 billion to \$54.1 billion, primarily reflecting a shift to net U.S. repayment of debt instrument liabilities from third-quarter net incurrence.
- Net U.S. incurrence of other investment liabilities decreased \$21.4 billion to \$69.5 billion, reflecting largely offsetting changes in transactions in loan and deposit liabilities. In loans, transactions shifted to net U.S. repayment of loan liabilities from third-quarter net incurrence. In deposits, transactions shifted to net incurrence of deposit liabilities from third-quarter net foreign withdrawal of deposits in the United States.

**Chart 6. Transactions in Financial Assets and Liabilities Excluding Financial Derivatives**





**Table D. Net U.S. Acquisition of Financial Assets and Net U.S. Incurrence of Liabilities**  
**[Millions of dollars, seasonally adjusted]**

	2017				Change 2017:III to 2017:IV
	I <sup>r</sup>	II <sup>r</sup>	III <sup>r</sup>	IV <sup>p</sup>	
<b>Net U.S. acquisition of financial assets excluding financial derivatives (net increase in assets / financial outflow (+))</b>	<b>332,387</b>	<b>351,460</b>	<b>350,653</b>	<b>177,861</b>	<b>-172,792</b>
<b>Direct investment assets</b>	<b>123,719</b>	<b>97,210</b>	<b>96,734</b>	<b>106,755</b>	<b>10,021</b>
Equity	98,533	93,566	67,847	114,970	47,123
Equity other than reinvestment of earnings	12,212	5,357	2,317	10,446	8,129
Reinvestment of earnings	86,321	88,210	65,530	104,524	38,994
Debt instruments	25,185	3,644	28,888	-8,214	-37,102
<b>Portfolio investment assets</b>	<b>140,446</b>	<b>186,482</b>	<b>179,260</b>	<b>83,330</b>	<b>-95,930</b>
Equity and investment fund shares	37,395	120,716	69,592	-33,908	-103,500
Debt securities	103,051	65,766	109,667	117,237	7,570
Short-term securities	37,797	36,261	71,918	30,437	-41,481
Long-term corporate securities	46,179	20,106	26,309	61,963	35,654
Other long-term securities	19,075	9,399	11,440	24,837	13,397
<b>Other investment assets</b>	<b>68,464</b>	<b>67,618</b>	<b>74,720</b>	<b>-10,685</b>	<b>-85,405</b>
Currency and deposits	38,989	9,542	52,395	47,821	-4,574
Loans	25,660	58,461	21,093	-58,294	-79,387
Trade credit and advances	3,815	-385	1,232	-213	-1,445
<b>Reserve assets</b>	<b>-241</b>	<b>150</b>	<b>-61</b>	<b>-1,539</b>	<b>-1,478</b>
Monetary gold	0	0	0	0	0
Special drawing rights	11	15	26	26	0
Reserve position in the International Monetary Fund	-261	82	-98	-1,535	-1,437
Other reserve assets	9	54	11	-29	-40
<b>Net U.S. incurrence of liabilities excluding financial derivatives (net increase in liabilities / financial inflow (+))</b>	<b>417,760</b>	<b>470,708</b>	<b>491,010</b>	<b>208,437</b>	<b>-282,573</b>
<b>Direct investment liabilities</b>	<b>97,703</b>	<b>93,205</b>	<b>103,675</b>	<b>54,091</b>	<b>-49,584</b>
Equity	89,652	68,499	73,210	62,324	-10,886
Equity other than reinvestment of earnings	62,439	48,213	44,741	29,817	-14,924
Reinvestment of earnings	27,212	20,286	28,469	32,507	4,038
Debt instruments	8,052	24,706	30,465	-8,234	-38,699
<b>Portfolio investment liabilities</b>	<b>164,522</b>	<b>291,264</b>	<b>296,404</b>	<b>84,860</b>	<b>-211,544</b>
Equity and investment fund shares	58,169	33,470	80,892	-5,706	-86,598
Debt securities	106,354	257,794	215,512	90,567	-124,945
Short term	-4,454	37,173	-23,564	28,779	52,343
Treasury bills and certificates	634	25,737	4,416	24,623	20,207
Federally sponsored agency securities	-1,920	-4,588	-1,957	2,186	4,143
Other short-term securities	-3,168	16,024	-26,023	1,970	27,993
Long term	110,807	220,620	239,076	61,788	-177,288
Treasury bonds and notes	73,162	44,491	150,036	547	-149,489
Federally sponsored agency securities	-17,773	24,265	14,484	8,043	-6,441
Corporate bonds and notes	53,569	146,735	75,096	53,430	-21,666
Other	1,849	5,129	-540	-232	308
Other investment liabilities	<b>155,535</b>	<b>86,238</b>	<b>90,932</b>	<b>69,486</b>	<b>-21,446</b>
Currency (short term)	20,764	15,830	15,850	17,262	1,412
Deposits	47,356	90,495	-30,871	59,793	90,664
Loans	78,731	-20,495	99,220	-9,839	-109,059
Trade credit and advances	8,683	409	6,733	2,270	-4,463
Special drawing rights allocations	0	0	0	0	0

**p** Preliminary

**r** Revised

Note. The statistics are presented in [table 1.2](#), [table 6.1](#), [table 7.1](#), and [table 8.1](#) on BEA's Web site.

## Updates to Statistics

The U.S. international transactions statistics for the third quarter of 2017 have been updated to incorporate new and revised source data. In addition, the statistics for the first three quarters of 2017 have been updated to align the seasonally adjusted statistics with annual totals.

**Table E. Updates to the Third-Quarter 2017 International Transactions  
Aggregates**  
[Millions of dollars, seasonally adjusted]

	Preliminary estimate	Revised estimate
Balance on goods	-195,258	-195,297
Balance on services	60,900	60,032
Balance on primary income	57,033	58,495
Balance on secondary income (current transfers)	-23,240	-24,706
Balance on current account	-100,566	-101,475
Net U.S. acquisition of financial assets	337,900	350,653
Net U.S. incurrence of liabilities	462,131	491,010
Net lending or borrowing from financial-account transactions	-105,631	-121,757

### Preview of the 2018 Annual Update

The annual update of the U.S. international transactions accounts will be released along with the preliminary estimates for the first quarter of 2018 on June 20, 2018. See "Preview of the 2018 Annual Update of the International Economic Accounts" in the May *Survey of Current Business* for a summary of changes that will be incorporated as part of the update.

## Current Account in 2017

### Current-account highlights

In 2017, the current-account deficit increased \$14.6 billion to \$466.2 billion, primarily reflecting an increase in the deficit on goods and a decrease in the surplus on services (chart 7 and table F). These changes were partly offset by an increase in the surplus on primary income and a decrease in the deficit on secondary income.

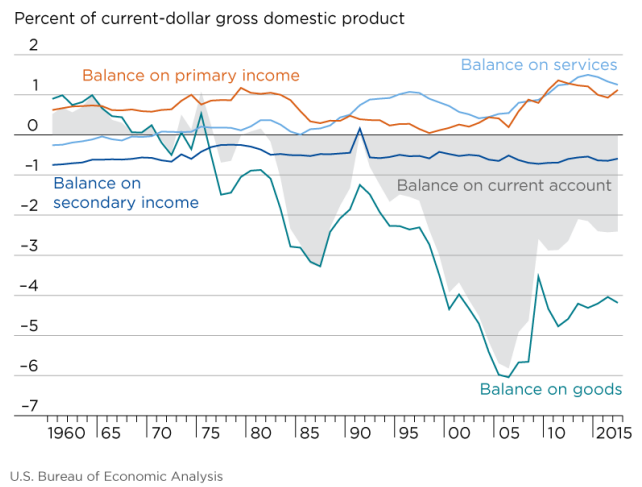
Exports of goods and services and income receipts increased \$250.9 billion in 2017 to \$3,408.2 billion.

- Primary income receipts increased \$112.9 billion to \$926.9 billion, led by an increase in direct investment income.
- Goods exports increased \$95.0 billion to \$1,550.7 billion, led by an increase in industrial supplies and materials.
- Services exports increased \$28.5 billion to \$780.9 billion, led by increases in other business services and in financial services.

Imports of goods and services and income payments increased \$265.5 billion to \$3,874.4 billion.

- Goods imports increased \$153.7 billion to \$2,361.9 billion, led by increases in industrial supplies and materials and in capital goods except automotive.
- Primary income payments increased \$69.1 billion to \$709.9 billion, led by increases in portfolio investment income and in other investment income.
- Services imports increased \$33.5 billion to \$538.1 billion, led by increases in travel (for all purposes including education) and in other business services.

**Chart 7. U.S. Current-Account and Component Annual Balances, 1960–2018**



**Table F. Current Account**  
[Millions of dollars]

	2014	2015	2016	2017 <sup>p</sup>	Change 2016 to 2017
<b>Current account</b>					
<b>Exports of goods and services and income receipts (credits)</b>	<b>3,333,332</b>	<b>3,172,990</b>	<b>3,157,241</b>	<b>3,408,188</b>	<b>250,947</b>
<b>Exports of goods</b>	<b>1,633,986</b>	<b>1,510,757</b>	<b>1,455,704</b>	<b>1,550,720</b>	<b>95,016</b>
Foods, feeds, and beverages	143,721	127,735	130,555	132,917	2,362
Industrial supplies and materials	500,677	417,445	386,767	453,735	66,968
Capital goods except automotive	551,758	539,758	519,839	533,098	13,259
Automotive vehicles, parts, and engines	159,812	151,921	150,313	157,554	7,241
Consumer goods except food and automotive	198,398	197,407	193,440	197,271	3,831
Other general merchandise	56,669	54,904	53,948	54,357	409
Net exports of goods under merchanting	299	261	301	241	-60
Nonmonetary gold	22,654	21,325	20,542	21,548	1,006
<b>Exports of services</b>	<b>741,919</b>	<b>753,150</b>	<b>752,368</b>	<b>780,879</b>	<b>28,511</b>
Maintenance and repair services n.i.e.	21,149	23,406	25,628	25,916	288
Transport	90,729	87,609	84,318	86,548	2,230
Travel (for all purposes including education)	191,918	205,418	205,940	203,696	-2,244
Insurance services	17,333	16,229	16,348	17,815	1,467
Financial services	106,949	102,595	98,180	106,424	8,244
Charges for the use of intellectual property n.i.e.	129,716	124,442	124,453	127,935	3,482
Telecommunications, computer, and information services	34,691	35,664	36,455	38,937	2,482
Other business services	128,915	136,622	142,231	154,458	12,227
Government goods and services n.i.e.	20,518	21,165	18,814	19,150	336
<b>Primary income receipts</b>	<b>817,348</b>	<b>782,985</b>	<b>813,977</b>	<b>926,862</b>	<b>112,885</b>
Direct investment income	474,805	436,909	444,038	507,029	62,991
Portfolio investment income	304,984	307,963	324,051	351,419	27,368
Other investment income	30,741	31,332	39,233	61,393	22,160
Reserve asset income	315	219	108	399	291
Compensation of employees	6,503	6,562	6,547	6,622	75
<b>Secondary income (current transfer) receipts</b>	<b>140,079</b>	<b>126,098</b>	<b>135,192</b>	<b>149,728</b>	<b>14,536</b>
<b>Imports of goods and services and income payments (debits)</b>	<b>3,707,131</b>	<b>3,607,589</b>	<b>3,608,926</b>	<b>3,874,434</b>	<b>265,508</b>
<b>Imports of goods</b>	<b>2,385,480</b>	<b>2,272,612</b>	<b>2,208,211</b>	<b>2,361,932</b>	<b>153,721</b>
Foods, feeds, and beverages	126,805	128,768	131,046	138,831	7,785
Industrial supplies and materials	675,567	492,241	441,834	512,036	70,202
Capital goods except automotive	598,759	606,772	593,902	643,695	49,793
Automotive vehicles, parts, and engines	329,498	350,034	351,050	359,908	8,858
Consumer goods except food and automotive	558,700	596,553	585,363	604,245	18,882
Other general merchandise	80,688	85,654	86,858	91,015	4,157
Nonmonetary gold	15,464	12,590	18,159	12,203	-5,956
<b>Imports of services</b>	<b>480,761</b>	<b>491,740</b>	<b>504,654</b>	<b>538,108</b>	<b>33,454</b>
Maintenance and repair services n.i.e.	7,520	9,010	8,810	8,559	-251
Transport	94,188	97,061	96,827	101,218	4,391
Travel (for all purposes including education)	105,668	114,723	123,618	135,209	11,591
Insurance services	51,011	47,822	48,077	49,698	1,621
Financial services	24,883	25,740	25,629	27,986	2,357
Charges for the use of intellectual property n.i.e.	41,983	39,858	44,392	48,354	3,962
Telecommunications, computer, and information services	36,502	36,270	36,851	40,221	3,370
Other business services	94,771	99,665	98,922	104,773	5,851
Government goods and services n.i.e.	24,236	21,592	21,528	22,093	565
<b>Primary income payments</b>	<b>606,573</b>	<b>602,023</b>	<b>640,751</b>	<b>709,864</b>	<b>69,113</b>
Direct investment income	198,107	170,380	185,211	201,969	16,758
Portfolio investment income	377,539	398,379	409,152	438,863	29,711
Other investment income	13,869	14,967	26,245	47,995	21,750
Compensation of employees	17,059	18,297	20,143	21,036	893
<b>Secondary income (current transfer) payments</b>	<b>234,317</b>	<b>241,214</b>	<b>255,309</b>	<b>264,530</b>	<b>9,221</b>
<b>Balances</b>					
<b>Balance on current account</b>	<b>-373,800</b>	<b>-434,598</b>	<b>-451,685</b>	<b>-466,246</b>	<b>-14,561</b>
Balance on goods	-751,494	-761,855	-752,507	-811,212	-58,705
Balance on services	261,157	261,410	247,714	242,770	-4,944
Balance on primary income	210,774	180,962	173,225	216,998	43,773
Balance on secondary income	-94,238	-115,116	-120,117	-114,802	5,315

<sup>p</sup> Preliminary

Note. The statistics are presented in [table 1.2](#) on BEA's Web site.

# Capital and Financial Accounts and the Statistical Discrepancy in 2017

## Capital account

Capital transfer receipts were \$24.9 billion in 2017 (table G). The transactions reflected receipts from foreign insurance companies for losses resulting from hurricanes Harvey, Irma, and Maria.<sup>2</sup>

## Acquisition of financial assets

Net U.S. acquisition of financial assets excluding financial derivatives increased \$864.5 billion to \$1,212.4 billion.

- Net U.S. acquisition of portfolio investment assets increased \$548.9 billion to \$589.5 billion, reflecting increases in net U.S. purchases of foreign debt securities and in net purchases of foreign equity and investment fund shares.
- Transactions in other investment assets shifted to net U.S. acquisition of \$200.1 billion in 2017 from net liquidation of \$6.4 billion in 2016, primarily reflecting a shift to net U.S. acquisition of deposits abroad in 2017 from net withdrawal in 2016.
- Net U.S. acquisition of direct investment assets increased \$112.8 billion to \$424.4 billion, reflecting a shift to net U.S. acquisition of debt instruments in 2017 from net foreign repayment in 2016 and an increase in net acquisition of equity assets.

## Incurrence of liabilities

Net U.S. incurrence of liabilities excluding financial derivatives increased \$846.5 billion to \$1,587.9 billion.

- Net U.S. incurrence of portfolio investment liabilities increased \$599.7 billion to \$837.1 billion, reflecting a shift to net foreign purchases of U.S. equity and investment fund shares in 2017 from net foreign sales in 2016 and an increase in net foreign purchases of U.S. long-term debt securities.
- Net U.S. incurrence of other investment liabilities increased \$377.6 billion to \$402.2 billion, reflecting a shift to net U.S. incurrence of deposit liabilities in 2017 from net foreign withdrawal in 2016 and a shift to net U.S. incurrence of loan liabilities in 2017 from net repayment in 2016.
- Net U.S. incurrence of direct investment liabilities decreased \$130.7 billion to \$348.7 billion, partly offsetting the increases in net U.S. incurrence of portfolio investment liabilities and other investment liabilities. The decrease in net U.S. incurrence of direct investment liabilities reflected decreases in net incurrence of debt instrument liabilities and equity liabilities.

## Financial derivatives

Transactions in financial derivatives other than reserves reflected net lending of \$26.4 billion in 2017, an increase of \$10.5 billion from 2016.

## Statistical discrepancy

The statistical discrepancy increased \$18.1 billion in 2017 to \$92.2 billion.

**Table G. Capital and Financial Accounts and Statistical Discrepancy**  
[Millions of dollars]

	2014	2015	2016	2017 <sup>p</sup>	Change 2016 to 2017
<b>Capital account</b>					
Capital transfer receipts and other credits	0	0	0	24,868	24,868
Capital transfer payments and other debits	45	42	59	21	-38
<b>Financial account</b>					
Net U.S. acquisition of financial assets excluding financial derivatives (net increase in assets / financial outflow (+))	818,784	194,205	347,891	1,212,361	864,470
<b>Direct investment assets</b>	338,853	311,139	311,581	424,418	112,837
Equity	330,364	296,487	329,732	374,916	45,184
Equity other than reinvestment of earnings	18,791	5,572	31,138	30,332	-806
Reinvestment of earnings	311,574	290,915	298,594	344,584	45,990
Debt instruments	8,488	14,651	-18,151	49,502	67,653
<b>Portfolio investment assets</b>	582,677	160,410	40,638	589,516	548,878
Equity and investment fund shares	431,625	196,922	14,423	193,795	179,372
Debt securities	151,052	-36,511	26,215	395,721	369,506
Short term	11,378	43,048	-21,073	176,412	197,485
Long term	139,674	-79,559	47,288	219,309	172,021
<b>Other investment assets</b>	-99,162	-271,052	-6,418	200,117	206,535
Currency and deposits	-161,750	-201,635	-89,663	148,747	238,410
Loans	68,411	-67,715	82,338	46,920	-35,418
Trade credit and advances	-5,824	-1,702	907	4,449	3,542
<b>Reserve assets</b>	-3,583	-6,292	2,090	-1,690	-3,780
Monetary gold	0	0	0	0	0
Special drawing rights	23	9	684	78	-606
Reserve position in the International Monetary Fund	-3,849	-6,485	1,348	-1,812	-3,160
Other reserve assets	243	185	58	44	-14
Net U.S. incurrence of liabilities excluding financial derivatives (net increase in liabilities / financial inflow (+))	1,091,350	502,112	741,393	1,587,915	846,522
<b>Direct investment liabilities</b>	237,655	506,161	479,415	348,674	-130,741
Equity	146,413	390,160	351,769	293,684	-58,085
Equity other than reinvestment of earnings	51,570	309,413	254,097	185,210	-68,887
Reinvestment of earnings	94,842	80,747	97,672	108,475	10,803
Debt instruments	91,242	116,001	127,645	54,989	-72,656
<b>Portfolio investment liabilities</b>	703,480	213,977	237,367	837,051	599,684
Equity and investment fund shares	154,311	-187,306	-141,078	166,825	307,903
Debt securities	549,170	401,284	378,445	670,225	291,780
Short term	22,328	45,897	-8,582	37,934	46,516
Long term	526,841	355,387	387,027	632,291	245,264
<b>Other investment liabilities</b>	150,214	-218,027	24,612	402,191	377,579
Currency and deposits	59,723	36,228	19,654	236,480	216,826
Loans	77,891	-262,615	-2,310	147,616	149,926
Trade credit and advances	12,600	8,360	7,268	18,095	10,827
Special drawing rights allocations	0	0	0	0	0
Financial derivatives other than reserves, net transactions	-54,270	-25,248	15,817	26,363	10,546
<b>Statistical discrepancy</b>					
Statistical discrepancy <sup>1</sup>	47,009	101,486	74,059	92,208	18,149
<b>Balances</b>					
Balance on capital account	-45	-42	-59	24,847	24,906
Net lending (+) or net borrowing (-) from current- and capital-account transactions <sup>2</sup>	-373,845	-434,641	-451,744	-441,399	10,345
Net lending (+) or net borrowing (-) from financial-account transactions <sup>3</sup>	-326,836	-333,155	-377,685	-349,191	28,494

<sup>p</sup> Preliminary

1. The statistical discrepancy is the difference between net acquisition of assets and net incurrence of liabilities in the financial account (including financial derivatives) less the difference between total credits and total debits recorded in the current and capital accounts.

Note. The statistics are presented in [table 1.2](#) and [table 6.1](#) on BEA's Web site.

1. For more information, see "[U.S. International Transactions: Third Quarter of 2017](#)," *Survey of Current Business* 97 (January 2018).

2. See note 1 above.



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