U.S. Current-Account Deficit Widens in Third Quarter 2021

U.S. International Transactions

The U.S. current-account deficit, which reflects the combined balances on trade in goods and services and income flows between U.S. residents and residents of other countries, widened by $16.5 billion, or 8.3 percent, to $214.8 billion in the third quarter of 2021. The widening reflected a reduced surplus on services and expanded deficits on secondary income and on goods that were partly offset by an expanded surplus on primary income. The third-quarter deficit was 3.7 percent of current-dollar gross domestic product, up from 3.5 percent in the second quarter.

- Exports of goods increased $4.8 billion to $441.6 billion, while imports of goods increased $10.0 billion to $716.4 billion.
- Exports of services decreased $0.1 billion to $190.8 billion, while imports of services increased $12.6 billion to $141.0 billion.
- Receipts of primary income increased $17.9 billion to $281.9 billion, while payments of primary income increased $8.6 billion to $233.7 billion.
- Receipts of secondary income increased $0.1 billion to $41.6 billion, while payments of secondary income increased $8.0 billion to $79.6 billion.
- Net financial-account transactions were −$127.2 billion, reflecting net U.S. borrowing from foreign residents.

Nearly all major categories of current-account transactions increased in the third quarter of 2021, the fifth consecutive quarter of broad-based growth following notable COVID-19-related declines in the second quarter of 2020. The full economic effects of the COVID-19 pandemic cannot be quantified in the statistics, because the impacts are generally embedded in source data and cannot be separately identified. For more information, see U.S. International Transactions, Third Quarter 2021.