

News Release

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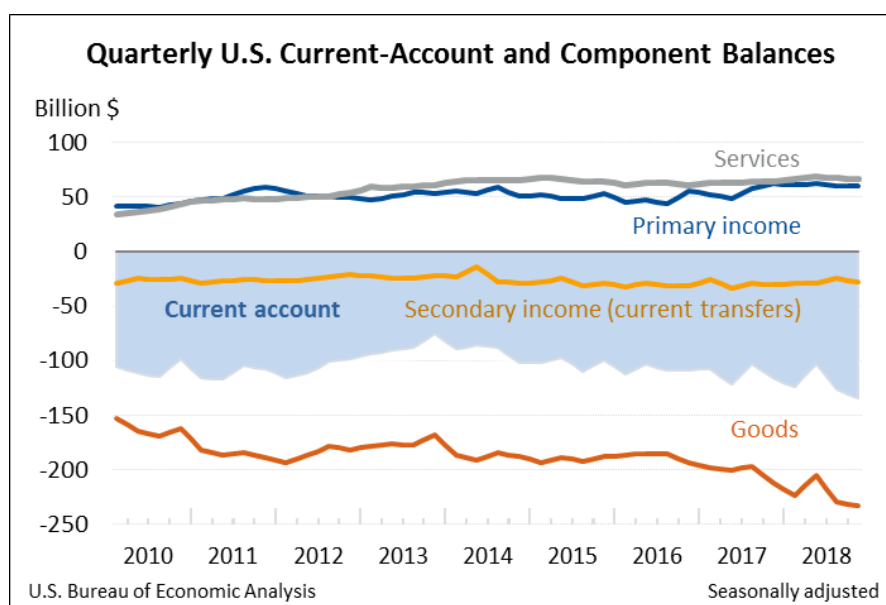
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U.S. International Transactions, Fourth Quarter and Year 2018

Current-Account Balance, Fourth Quarter

The U.S. **current-account deficit** increased to \$134.4 billion (preliminary) in the fourth quarter of 2018 from \$126.6 billion (revised) in the third quarter of 2018, according to statistics released by the Bureau of Economic Analysis (BEA). The deficit was 2.6 percent of current-dollar gross domestic product (GDP) in the fourth quarter, up from 2.5 percent in the third quarter.



The \$7.8 billion increase in the current-account deficit mainly reflected increases in the deficits on goods and on secondary income and a decrease in the surplus on services.

Table 1. U.S. International Transactions—Table Ends

(Millions of dollars)

| Line | | 2017 | 2018 ^p | Change: 2017 to 2018 | Seasonally adjusted | | | | | Change: 2018:III to 2018:IV | Line |
|--------------------------------|--|------------------|-------------------|----------------------------|---------------------|-----------------|-----------------|------------------|-----------------|-----------------------------------|------------|
| | | | | | 2017 | 2018 | | | | | |
| | | | | | IV | I ^r | II ^r | III ^r | IV ^p | | |
| Financial account | | | | | | | | | | | |
| 61 | Net U.S. acquisition of financial assets excluding financial derivatives (net increase in assets / financial outflow (+)) | 1,182,749 | 301,618 | -881,131 | 127,135 | 251,218 | -199,905 | 78,338 | 171,967 | 93,629 | 61 |
| 62 | Direct investment assets | 379,222 | -50,633 | -429,855 | 91,256 | -139,234 | -68,023 | 60,396 | 96,229 | 35,833 | 62 |
| 63 | Equity | 352,504 | -58,540 | -411,044 | 101,537 | -167,640 | -52,771 | 64,334 | 97,536 | 33,202 | 63 |
| 64 | Debt instruments | 26,718 | 7,907 | -18,811 | -10,281 | 28,406 | -15,252 | -3,939 | -1,307 | 2,632 | 64 |
| 65 | Portfolio investment assets | 586,695 | 210,330 | -376,365 | 88,301 | 304,094 | -14,272 | 70,072 | -149,565 | -219,637 | 65 |
| 66 | Equity and investment fund shares | 166,827 | 97,180 | -69,647 | -39,233 | 200,871 | -70,830 | 32,245 | -65,105 | -97,350 | 66 |
| 67 | Debt securities | 419,868 | 113,150 | -306,718 | 127,534 | 103,223 | 56,559 | 37,828 | -84,460 | -122,288 | 67 |
| 68 | Short term | 193,855 | 17,596 | -176,259 | 40,467 | 27,771 | 2,469 | 21,546 | -34,190 | -55,736 | 68 |
| 69 | Long term | 226,013 | 95,554 | -130,459 | 87,067 | 75,453 | 54,089 | 16,282 | -50,270 | -66,552 | 69 |
| 70 | Other investment assets | 218,522 | 136,932 | -81,590 | -50,883 | 86,365 | -120,679 | -51,953 | 223,199 | 275,152 | 70 |
| 71 | Currency and deposits | 171,952 | 151,834 | -20,118 | 4,850 | 53,816 | -22,388 | -23,109 | 143,516 | 166,625 | 71 |
| 72 | Loans | 40,862 | -15,727 | -56,589 | -55,760 | 33,356 | -99,576 | -27,225 | 77,718 | 104,943 | 72 |
| 73 | Insurance technical reserves | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 73 |
| 74 | Trade credit and advances | 5,708 | 825 | -4,883 | 26 | -807 | 1,285 | -1,618 | 1,964 | 3,582 | 74 |
| 75 | Reserve assets | -1,690 | 4,989 | 6,679 | -1,539 | -7 | 3,068 | -177 | 2,105 | 2,282 | 75 |
| 76 | Monetary gold | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 76 |
| 77 | Special drawing rights | 78 | 156 | 78 | 26 | 33 | 33 | 43 | 47 | 4 | 77 |
| 78 | Reserve position in the International Monetary Fund | -1,812 | 4,824 | 6,636 | -1,535 | -73 | 3,136 | -288 | 2,049 | 2,337 | 78 |
| 79 | Other reserve assets | 44 | 10 | -34 | -29 | 34 | -101 | 68 | 9 | -59 | 79 |
| 80 | Currency and deposits | 0 | (*) | (*) | 0 | (*) | 0 | 0 | 0 | 0 | 80 |
| 81 | Securities | 44 | 10 | -34 | -29 | 34 | -101 | 68 | 9 | -59 | 81 |
| 82 | Financial derivatives | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 82 |
| 83 | Other claims | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 83 |
| 84 | Net U.S. incurrence of liabilities excluding financial derivatives (net increase in liabilities / financial inflow (+)) | 1,537,683 | 800,913 | -736,770 | 159,164 | 440,981 | -63,211 | 102,926 | 320,216 | 217,290 | 84 |
| 85 | Direct investment liabilities | 354,829 | 267,081 | -87,748 | 38,250 | 57,850 | 16,551 | 104,506 | 88,175 | -16,331 | 85 |
| 86 | Equity | 308,406 | 332,207 | 23,801 | 64,320 | 72,562 | 45,505 | 114,541 | 99,600 | -14,941 | 86 |
| 87 | Debt instruments | 46,423 | -65,126 | -111,549 | -26,070 | -14,712 | -28,954 | -10,035 | -11,425 | -1,390 | 87 |
| 88 | Portfolio investment liabilities | 799,182 | 320,006 | -479,176 | 81,626 | 301,503 | 20,596 | 10,760 | -12,853 | -23,613 | 88 |
| 89 | Equity and investment fund shares | 155,680 | 147,236 | -8,444 | -3,377 | 154,313 | 291 | -95,528 | 88,160 | 183,688 | 89 |
| 90 | Debt securities | 643,503 | 172,769 | -470,734 | 85,003 | 147,190 | 20,305 | 106,287 | -101,013 | -207,300 | 90 |
| 91 | Short term | 15,851 | 28,772 | 12,921 | 25,215 | 31,355 | 37,436 | -53,098 | 13,079 | 66,177 | 91 |
| 92 | Long term | 627,652 | 143,997 | -483,655 | 59,788 | 115,835 | -17,131 | 159,386 | -114,093 | -273,479 | 92 |
| 93 | Other investment liabilities | 383,671 | 213,826 | -169,845 | 39,288 | 81,628 | -100,358 | -12,340 | 244,895 | 257,235 | 93 |
| 94 | Currency and deposits | 217,427 | 29,587 | -187,840 | 61,423 | -10,034 | -57,927 | -7,034 | 104,582 | 111,616 | 94 |
| 95 | Loans | 150,834 | 169,734 | 18,900 | -23,436 | 82,566 | -47,064 | -7,584 | 141,815 | 149,399 | 95 |
| 96 | Insurance technical reserves | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 96 |
| 97 | Trade credit and advances | 15,410 | 14,505 | -905 | 1,302 | 9,096 | 4,634 | 2,278 | -1,502 | -3,780 | 97 |
| 98 | Special drawing rights allocations | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 98 |
| 99 | Financial derivatives other than reserves, net transactions ³ | 23,074 | -20,261 | -43,335 | 777 | 29,024 | -16,969 | -12,255 | -20,061 | -7,806 | 99 |
| Statistical discrepancy | | | | | | | | | | | |
| 100 | Statistical discrepancy ⁴ | 92,536 | -40,492 | -133,028 | 84,936 | -36,814 | -50,090 | 89,202 | -42,789 | -131,991 | 100 |
| Balances | | | | | | | | | | | |
| 101 | Balance on current account (line 1 less line 31) ⁵ | -449,142 | -488,472 | -39,330 | -116,148 | -123,923 | -103,568 | -126,604 | -134,377 | -7,773 | 101 |
| 102 | Balance on goods and services (line 2 less line 32) | -552,277 | -622,106 | -69,829 | -147,826 | -156,256 | -136,875 | -162,011 | -166,964 | -4,953 | 102 |
| 103 | Balance on goods (line 3 less line 33) | -807,495 | -891,320 | -83,825 | -212,378 | -223,268 | -205,525 | -229,474 | -233,053 | -3,579 | 103 |
| 104 | Balance on services (line 13 less line 42) | 255,219 | 269,214 | 13,995 | 64,551 | 67,012 | 68,650 | 67,462 | 66,090 | -1,372 | 104 |
| 105 | Balance on primary income (line 23 less line 52) | 221,731 | 244,295 | 22,564 | 62,371 | 61,189 | 62,332 | 60,339 | 60,435 | 96 | 105 |
| 106 | Balance on secondary income (line 30 less line 58) | -118,597 | -110,661 | 7,936 | -30,692 | -28,856 | -29,026 | -24,931 | -27,849 | -2,918 | 106 |
| 107 | Balance on capital account (line 59 less line 60) ⁵ | 24,746 | 9,409 | -15,337 | -40 | -2 | -5 | 559 | 8,856 | 8,297 | 107 |
| 108 | Net lending (+) or net borrowing (-) from current- and capital-account transactions (line 101 plus line 107) ⁶ | -424,395 | -479,064 | -54,669 | -116,188 | -123,925 | -103,573 | -126,045 | -125,521 | 524 | 108 |
| 109 | Net lending (+) or net borrowing (-) from financial-account transactions (line 61 less line 84 plus line 99) ⁶ | -331,860 | -519,556 | -187,696 | -31,252 | -160,739 | -153,664 | -36,843 | -168,310 | -131,467 | 109 |

p Preliminary r Revised n.a. Not available (*) Transactions are between zero and +/- \$500,000

1. All travel purposes include 1) business travel, including expenditures by border, seasonal, and other short-term workers and 2) personal travel, including health-related and education-related travel.

2. Secondary income (current transfer) receipts and 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.

3. Transactions for financial derivatives are only available as a net value equal to transactions for assets less transactions for liabilities. A positive value represents net U.S. cash payments arising from derivatives contracts, and a negative value represents net U.S. cash receipts.

4. The statistical discrepancy, which can be calculated as line 109 less line 108, is the difference between total debits and total credits recorded in the current, capital, and financial accounts. In the current and capital accounts, credits and debits are labeled in the table. In the financial account, an acquisition of an asset or a repayment of a liability is a debit, and an incurrence of a liability or a disposal of an asset is a credit.

5. Current- and capital-account statistics in the international transactions accounts differ slightly from statistics in the national income and product accounts (NIPAs) because of adjustments made to convert the international transactions statistics to national economic accounting concepts. A reconciliation between annual statistics in the two sets of accounts appears in [NIPA table 4.3B](#).

6. Net lending means that U.S. residents are net suppliers of funds to foreign residents, and net borrowing means the opposite. Net lending or net borrowing can be computed from current- and capital-account transactions or from financial-account transactions. The two amounts differ by the statistical discrepancy.

Notes: Details may not add to totals because of rounding. See international transactions accounts table 1.3 at apps.bea.gov/itable/index_ita.cfm for geographic detail.

Source: U.S. Bureau of Economic Analysis

