U.S. Current Account Deficit Narrows in Fourth Quarter 2019

Preliminary Estimates of 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, narrowed by $15.6 billion, or 12.4 percent, to $109.8 billion in the fourth quarter of 2019. The narrowing mainly reflected a reduced deficit on goods that was partly offset by an expanded deficit on secondary income. The fourth quarter deficit was 2.0 percent of current dollar gross domestic product, down from 2.3 percent in the third quarter.

- Exports of goods decreased $2.5 billion, to $409.7 billion, while imports of goods decreased $20.6 billion, to $612.5 billion.
- Exports of services increased $2.8 billion, to $213.9 billion, while imports of services increased $2.3 billion, to $151.0 billion.
- Receipts of primary income decreased $2.8 billion, to $278.0 billion, while payments of primary income decreased $4.2 billion, to $210.7 billion.
- Receipts of secondary income decreased $2.5 billion, to $34.4 billion, while payments of secondary income increased $1.9 billion, to $71.7 billion.
- Net financial account transactions were −$71.8 billion, reflecting net U.S. borrowing from foreign residents.