

Annual Update of the U.S. International Transactions Accounts

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In June 2019, the Bureau of Economic Analysis (BEA) released annual updates of the U.S. international transactions accounts (ITAs) and the U.S. international investment position (IIP) accounts.¹ With this annual update, quarterly and annual statistics on U.S. international transactions were revised to incorporate newly available and revised source data and updated seasonal and trading day adjustments as follows:

- Goods exports and imports for 2016–2018 were updated to incorporate revised source data, mainly from the U.S. Census Bureau.
- Services exports and imports for 2016–2018 were updated to incorporate newly available and revised source data, mainly from BEA quarterly surveys of international trade in services.
- Primary income receipts and payments for 2016–2018 were updated to incorporate newly available and revised source data, mainly from BEA direct investment surveys and from the U.S. Department of the Treasury’s Treasury International Capital (TIC) surveys.
- Financial asset and liability transactions for direct investment, portfolio investment, other investment, and financial derivatives for 2016–2018 were updated to incorporate newly available and revised source data, mainly from BEA direct investment surveys and from TIC surveys.
- Seasonal factors and trading day adjustments were updated for 2014–2018.²

[Appendices A and B](#) provide a numerical summary of the revisions; for a comparison of this year’s revisions with revisions from past annual updates, see [“2019 Annual Update in Historical Context.”](#) Updated statistics on the detailed components of the ITAs are presented in [“U.S. International Transactions Tables”](#) in this issue of the *Survey of Current Business*.

2019 Annual Update in a Historical Context

The 2019 annual update represents the first annual update of statistics for 2018, the second annual update of statistics for 2017, and the third annual update of statistics for 2016. Revisions to both the annual and quarterly statistics as a percentage of trend gross domestic product (GDP) are generally smaller than typical first, second, and third annual revisions that were released each June in 2000–2018 (for statistics for 1999–2017).¹

As shown in table I, mean absolute revisions (MARs) for the quarterly and annual statistics for the current-account balance and net lending/borrowing from financial-account transactions are smaller than comparable MARs from past years. (In this table, a “ratio” value less than one indicates the June 2019 revisions are smaller than average revisions in annual updates of past years.) The small MARs from the 2019 annual update partly reflect the fact that no major methodological changes were included in this update. The largest MARs relative to past years were for net lending/borrowing from financial-account transactions in 2018, resulting in a revision ratio of 0.98.

Table I. Comparison of Revisions From the 2019 Annual Update With Revisions From Previous Annual Updates

	MAR from the 2019 annual update	MAR from previous annual updates	Ratio ¹
Balance on current account			
Quarterly statistics			
2016 ²	0.032	0.114	0.28
2017 ³	0.059	0.140	0.42
2018 ⁴	0.118	0.151	0.78
Annual statistics			
2016 ²	0.024	0.095	0.25
2017 ³	0.049	0.119	0.41
2018 ⁴	0.012	0.136	0.09
Net lending or borrowing from financial-account transactions			
Quarterly statistics			
2016 ²	0.044	0.442	0.10
2017 ³	0.237	0.649	0.36
2018 ⁴	0.570	0.652	0.87
Annual statistics			
2016 ²	0.016	0.338	0.05
2017 ³	0.131	0.307	0.43
2018 ⁴	0.364	0.370	0.98

MAR Mean absolute revision

1. Ratio is MAR from the 2019 annual update divided by MAR from previous annual updates.
2. Revisions to statistics on transactions for 2016 are compared with revisions in previous third annual updates in 2002–2018.
3. Revisions to statistics on transactions for 2017 are compared with revisions in previous second annual updates in 2001–2018.
4. Revisions to statistics on transactions for 2018 are compared with revisions in previous first annual updates in 2000–2018.

Note. All revisions are computed as a percentage of trend current-dollar gross domestic product.

Geometric means of MARs ratios are shown in table II for some of the main aggregates and balances. (To illustrate, the value of 0.45 for the balance on current account in the first column is the geometric mean of 0.28, 0.42, and 0.78 from the third column of table I). The 2019 revisions to exports of goods and services and income receipts and to imports of goods and services and income payments were both considerably smaller than historical revisions. The 2019 revisions to components of these two aggregates were also small, relative to historical averages, as were revisions to the two main financial-account aggregates and to the various current-account balances.

Table II. Ratios of the Revisions From the 2019 Annual Update to Revisions From Previous Annual Updates[Geometric mean of ratios of MARs]¹

	Quarterly statistics	Annual statistics
Exports of goods and services and income receipts	0.43	0.41
Goods exports	0.50	0.15
Services exports	0.36	0.11
Primary income receipts	0.49	0.53
Imports of goods and services and income payments	0.21	0.07
Goods imports	0.36	0.51
Services imports	0.46	0.49
Primary income payments	0.15	0.13
Net U.S. acquisition of financial assets excluding financial derivatives	0.34	0.13
Net U.S. incurrence of liabilities excluding financial derivatives	0.15	0.15
Balance on goods	0.65	0.62
Balance on services	0.53	0.20
Balance on goods and services	0.62	0.35
Balance on primary income	0.27	0.29
Balance on secondary income	0.43	0.24
Balance on current account	0.45	0.21
Net lending/borrowing from financial account	0.32	0.27
Addenda:		
Exports of goods and services and income payments excluding effects of the 2014 definitional changes ²	0.55	0.53
Imports of goods and services and income receipts excluding effects of the 2014 definitional changes ²	0.37	0.15

MARs

Mean absolute revisions

1. Geometric mean computed over three ratios: (1) ratio of MAR of statistics for 2018 to MAR from other first annual updates; (2) ratio of MAR of statistics for 2017 to MAR from other second annual updates; (3) ratio of MAR of statistics for 2016 to MAR from other third annual updates.
2. See the discussion in the text.

Table II also presents two addenda ratios that exclude the effects in the historical averages of definitional changes implemented in the 2014 comprehensive restructuring of the ITAs. In 2014, “exports of goods and services and income receipts” and “imports of goods and services and income payments” were redefined to include secondary income receipts and secondary income payments, respectively. Previously, secondary income statistics were only published on a net basis in “balance on secondary income.”² Inclusion of gross secondary income flows in the current-account aggregates resulted in revisions to these series for 2014 that were much larger than typical years. To avoid the distortions created by these redefinitions, the values in the addenda are based on calculations of 2014 revisions that use a common definition for the revised and the previously published estimates that excludes secondary income. The recalculated 2014 revisions are more similar to typical revisions of the aggregates, so the historical averages used in computing the ratios in the addenda are more reflective of typical revisions than those used for computing ratios shown in the main body of the table. In the addendum, revisions on both the export and import sides are larger than those shown in the main body of the table but remain smaller than historical revisions.

1. Trend GDP is derived using a Hodrick-Prescott filter to separate the quarter-to-quarter deviations from the time series trend. For additional information on trend GDP calculation, see footnote 17 of Ryan Howley, “[An Analysis of the Reliability of BEA’s International Transactions Accounts](#),” *Survey of Current Business* 97 (February 2017)
2. For more information on the 2014 comprehensive restructuring, see Jeffrey R. Bogen, Mai-Chi Hoang, Kristy L. Howell, and Erin M. Whitaker, “[Comprehensive Restructuring and Annual Revision of the U.S. International Transactions Accounts](#),” *Survey* 94 (July 2014).

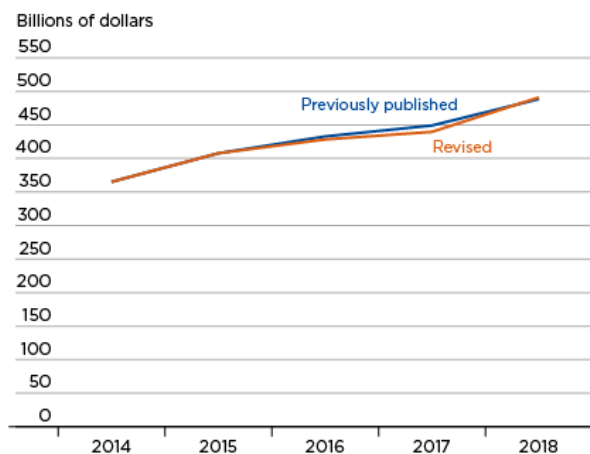
Effects of the Revisions

Current-account highlights

Current-account statistics were updated to incorporate newly available and revised source data for 2016–2018 and updated seasonal factors, which only affected quarterly statistics, for 2014–2018. For 2016–2018, this annual update has not altered the overall picture of U.S. international transactions. Revisions to the current-account deficit for 2016–2018 did not alter its direction of change (increase or decrease) for any year. The current-account deficit was revised down for 2016 and 2017 and revised up for 2018. The largest revisions to the current-account deficit were downward revisions of \$9.5 billion for 2017 and \$4.5 billion for 2016 (table A, chart 1). Despite these revisions in levels, the trend in the current-account deficit reflected in the revised statistics for all years is unchanged from the trend reflected in the previously published statistics.

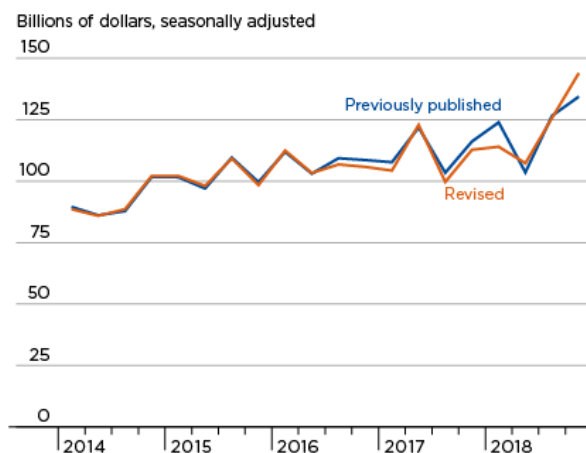
The revisions to the quarterly statistics did not affect the direction (increase or decrease) of the quarter-to-quarter changes in the current-account deficit for 2014–2018, with one exception: for the first quarter of 2015, a \$0.1 billion dollar decrease in the deficit was revised to an increase of less than \$0.1 billion (chart 2). For most quarters, the revisions also did not significantly affect the magnitude of the quarter-to-quarter changes in the current-account deficit. The largest revision to the quarter-to-quarter change was for the second quarter of 2018; the previously published \$20.4 billion decrease in the deficit was revised up \$13.7 billion to a \$6.7 billion decrease.

Chart 1. Current-Account Deficit, 2014–2018



U.S. Bureau of Economic Analysis

Chart 2. Quarterly Current-Account Deficit, 2014–2018



U.S. Bureau of Economic Analysis

Table A. Revisions to Current-Account and Capital-Account Balances, Net Lending or Net Borrowing From Financial-Account Transactions, and the Statistical Discrepancy, 2016–2018

[Billions of dollars]

	2016	2017	2018
Balance on current account (line 101):			
Revised	-428.3	-439.6	-491.0
Previously published	-432.9	-449.1	-488.5
Amount of revision	4.5	9.5	-2.5
Balance on goods and services (line 102):			
Revised	-503.0	-550.1	-627.7
Previously published	-502.0	-552.3	-622.1
Amount of revision	-1.0	2.2	-5.6
Balance on primary income (line 105):			
Revised	198.7	225.8	254.0
Previously published	193.0	221.7	244.3
Amount of revision	5.6	4.1	9.7
Balance on secondary income (line 106):			
Revised	-124.0	-115.3	-117.3
Previously published	-123.9	-118.6	-110.7
Amount of revision	-0.1	3.3	-6.6
Balance on capital account (line 107):			
Revised	-0.2	19.0	3.2
Previously published	-0.1	24.7	9.4
Amount of revision	-0.1	-5.8	-6.2
Net lending (+) or net borrowing (-) from financial-account transactions (line 109):			
Revised	-382.0	-357.6	-445.5
Previously published	-385.1	-331.9	-519.6
Amount of revision	3.0	-25.7	74.1
Statistical discrepancy (line 100):			
Revised	46.5	63.1	42.3
Previously published	47.9	92.5	-40.5
Amount of revision	-1.4	-29.4	82.8

Note. Line numbers refer to ITA [table 1.2](#) on BEA's website.

Goods and services. The deficit on goods and services was revised up for 2016 and 2018 and revised down for 2017. The largest revision was an upward revision of \$5.6 billion for 2018. The revised statistics show the same trend as the previously published statistics.

The deficit on goods was revised down for 2016–2018. The largest revision was a downward revision of \$4.0 billion for 2018 (table B). The updates to exports and imports of goods primarily reflect revised source data from the Census Bureau.

The surplus on services was revised down for 2016–2018. The largest revision was a downward revision of \$9.6 billion for 2018 (table B). The revisions to exports and imports of services reflect newly available and revised source data, primarily from BEA quarterly surveys of international trade in services.

Primary income. The surplus on primary income was revised up for 2016–2018. The largest revision was an upward revision of \$9.7 billion for 2018 (tables A and B). The revisions to primary income receipts and payments mainly reflect newly available and revised source data from BEA direct investment surveys and the TIC surveys.³

Revisions to direct investment income for 2016 and 2017 reflect revisions to current-cost adjustments due to newly available and revised source data from BEA annual direct investment surveys and from the BEA national accounts (table B). The current-cost adjustment to direct investment income substitutes economic depreciation charges for the financial-accounting-based depreciation and depletion charges against equity income that are reported on BEA surveys of direct investment. These adjustments put depreciation on a replacement-cost basis and more closely align parents' claims on affiliates' income with charges against income in the same period, as required by economic accounting principles.

The 2018 revisions to direct investment income reflect newly available and revised source data from BEA quarterly direct investment surveys as well as revisions to current-cost adjustments to direct investment income. The incorporation of updated quarterly direct investment survey data for 2016 and 2017, which would normally occur with this annual update, was delayed until 2020 because of the impact of the partial government shutdown that started in late December 2018 and ended in late January 2019.

Secondary income. The deficit on secondary income (current transfers) was revised up for 2016 and 2018 and revised down for 2017. The largest revision was an upward revision of \$6.6 billion for 2018 (tables A and B). The revisions to secondary income primarily reflect newly available source data from the U.S. Internal Revenue Service, the U.S. Department of Defense, the U.S. Agency for International Development, and BEA services surveys.

Table B. Revisions to Selected Current-Account Transactions, 2016–2018

[Billions of dollars]

	2016	2017	2018
Exports of goods and services and income receipts (line 1):			
Revised	3,188.5	3,444.8	3,735.7
Previously published	3,183.8	3,433.2	3,701.7
Amount of revision	4.7	11.6	34.0
Exports of goods (line 3):			
Revised	1,457.4	1,553.6	1,674.3
Previously published	1,457.0	1,553.4	1,672.3
Amount of revision	0.4	0.2	2.0
Exports of services (line 13):			
Revised	758.4	799.0	827.0
Previously published	758.9	797.7	828.4
Amount of revision	-0.4	1.3	-1.4
Primary income receipts (line 23):			
Revised	835.5	933.3	1,084.2
Previously published	830.2	928.1	1,060.4
Amount of revision	5.3	5.2	23.8
Direct investment income receipts (line 25):			
Revised	461.8	509.8	574.5
Previously published	456.4	504.4	551.8
Amount of revision	5.3	5.4	22.6
Dividends and withdrawals (part of line 25):			
Revised	139.3	155.1	776.5
Previously published	139.3	155.1	664.9
Amount of revision	0.0	0.0	111.6
Reinvested earnings (part of line 25):			
Revised	298.3	328.0	-229.7
Previously published	292.9	322.6	-141.6
Amount of revision	5.3	5.4	-88.0
Secondary income receipts (line 30):			
Revised	137.2	159.0	150.2
Previously published	137.8	154.0	140.6
Amount of revision	-0.6	4.9	9.6
Imports of goods and services and income payments (line 31):			
Revised	3,616.9	3,884.5	4,226.7
Previously published	3,616.7	3,882.4	4,190.2
Amount of revision	0.2	2.1	36.5
Imports of goods (line 33):			
Revised	2,207.2	2,358.8	2,561.7

	2016	2017	2018
Previously published	2,208.0	2,360.9	2,563.7
Amount of revision	-0.8	-2.1	-2.0
Imports of services (line 42):			
Revised	511.6	543.9	567.3
Previously published	509.8	542.5	559.2
Amount of revision	1.8	1.4	8.1
Insurance services (line 46):			
Revised	50.1	50.6	42.5
Previously published	49.9	50.7	38.2
Amount of revision	0.2	-0.1	4.3
Charges for the use of intellectual property n.i.e. (line 48):			
Revised	47.0	53.4	56.1
Previously published	46.6	51.3	53.8
Amount of revision	0.4	2.2	2.4
Primary income payments (line 52):			
Revised	636.9	707.5	830.2
Previously published	637.2	706.4	816.1
Amount of revision	-0.3	1.1	14.1
Secondary income payments (line 58):			
Revised	261.2	274.3	267.5
Previously published	261.7	272.6	251.2
Amount of revision	-0.5	1.6	16.2
Balance on current account (line 101):			
Revised	-428.3	-439.6	-491.0
Previously published	-432.9	-449.1	-488.5
Amount of revision	4.5	9.5	-2.5
Balance on goods and services (line 102):			
Revised	-503.0	-550.1	-627.7
Previously published	-502.0	-552.3	-622.1
Amount of revision	-1.0	2.2	-5.6
Balance on goods (line 103):			
Revised	-749.8	-805.2	-887.3
Previously published	-751.1	-807.5	-891.3
Amount of revision	1.3	2.3	4.0
Balance on services (line 104):			
Revised	246.8	255.1	259.7
Previously published	249.1	255.2	269.2
Amount of revision	-2.2	-0.1	-9.6
Balance on primary income (line 105):			
Revised	198.7	225.8	254.0
Previously published	193.0	221.7	244.3
Amount of revision	5.6	4.1	9.7
Balance on secondary income (line 106):			
Revised	-124.0	-115.3	-117.3
Previously published	-123.9	-118.6	-110.7
Amount of revision	-0.1	3.3	-6.6

n.i.e. Not included elsewhere

Note. Line numbers refer to ITA [table 1.2](#) on BEA's website.

Capital-account highlights

The balance on the capital account was revised down for 2016–2018. The largest revisions were a downward revision of \$6.2 billion for 2018 and a downward revision of \$5.8 billion for 2017 (table A). The revisions to capital transfer receipts reflect revised estimates of insurance-related capital transfers based on newly available and revised source data from BEA quarterly surveys of international trade in services. The 2017 transactions reflected receipts from foreign insurance companies for losses resulting from hurricanes Harvey, Irma, and Maria. The 2018 transactions reflected receipts from foreign insurance companies for losses resulting from Hurricane Florence and the wildfires in California. For more information, see [“What are the effects of hurricanes and other disasters on the international economic accounts?”](#)

Financial-account highlights

Financial-account statistics for 2014–2018 were updated to incorporate newly available and revised source data, including BEA quarterly and annual direct investment surveys, TIC surveys, and updated seasonal factors. Revisions to net borrowing from financial-account transactions for 2016–2018 did not alter its direction of change for any year. The largest revisions to net borrowing from financial account transactions were a downward revision of \$74.1 billion for 2018 and an upward revision of \$25.7 billion for 2017 (tables A and C, chart 3).

Revisions to net borrowing reflect the combined revisions to net U.S. acquisition of financial assets excluding financial derivatives, to net U.S. incurrence of liabilities excluding financial derivatives, and to net transactions in financial derivatives. The revised annual financial transactions for each of these major accounts are similar in size and direction of change (increase or decrease) to the previously published financial transactions. The revisions to the quarterly statistics did not affect the direction of the quarter-to-quarter changes in net borrowing for 2014–2018, with one exception: for the second quarter of 2018, a \$7.1 billion dollar decrease in net borrowing was revised to an increase of \$39.7 billion (chart 4).

Chart 3. Net Borrowing From Financial-Account Transactions, 2014–2018

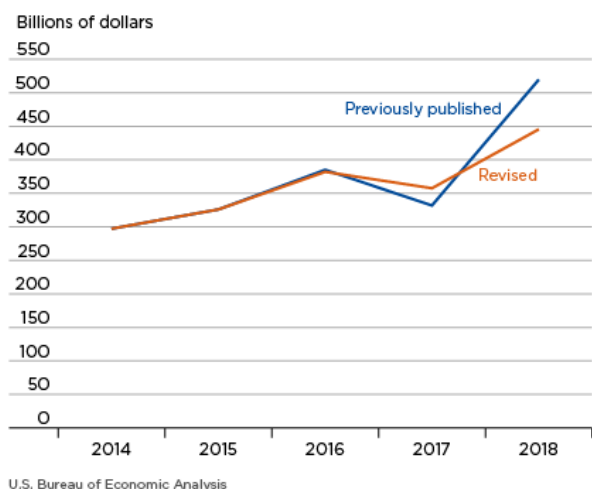


Chart 4. Quarterly Net Borrowing From Financial-Account Transactions, 2014–2018

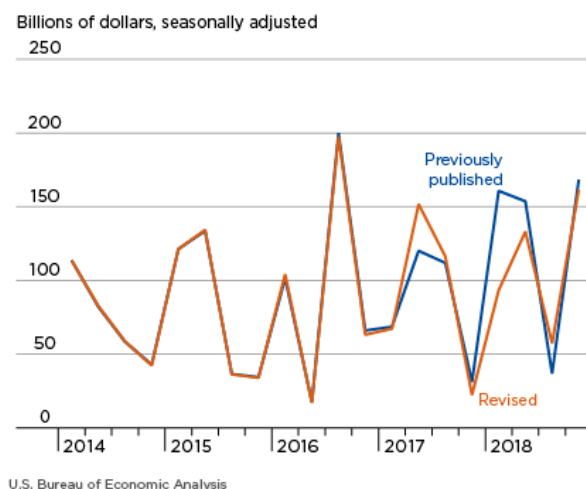


Table C. Revisions to Selected Financial-Account Transactions, 2016–2018

[Billions of dollars]

	2016	2017	2018
Net U.S. acquisition of financial assets excluding financial derivatives (net increase in assets/financial outflow (+)) (line 61):			
Revised	353.0	1,167.4	310.8
Previously published	348.6	1,182.7	301.6
Amount of revision	4.4	-15.3	9.2
Direct investment assets (line 62):			
Revised	318.3	384.6	-78.5
Previously published	313.0	379.2	-50.6
Amount of revision	5.3	5.4	-27.8
Portfolio investment assets (line 65):			
Revised	36.3	569.4	334.0
Previously published	36.3	586.7	210.3
Amount of revision	0.0	-17.3	123.7
Equity and investment fund shares (line 66):			
Revised	21.7	139.9	194.1
Previously published	21.7	166.8	97.2
Amount of revision	0.0	-26.9	96.9
Debt securities (line 67)			
Revised	14.5	429.4	139.9
Previously published	14.5	419.9	113.2
Amount of revision	0.0	9.6	26.8
Other investment assets (line 70):			
Revised	-3.7	215.2	50.3
Previously published	-2.7	218.5	136.9
Amount of revision	-0.9	-3.3	-86.7
Currency and deposits (line 71):			
Revised	-91.3	169.2	71.8
Previously published	-91.3	172.0	151.8
Amount of revision	(*)	-2.7	-80.0
Loans (line 72):			
Revised	86.8	40.2	-22.4
Previously published	87.7	40.9	-15.7
Amount of revision	-0.9	-0.6	-6.7
Net U.S. incurrence of liabilities excluding financial derivatives (net increase in liabilities/financial inflow (+)) (line 84):			
Revised	742.9	1,549.0	735.6
Previously published	741.5	1,537.7	800.9
Amount of revision	1.4	11.3	-65.3
Direct investment liabilities (line 85):			
Revised	494.4	354.7	258.4
Previously published	494.5	354.8	267.1
Amount of revision	(*)	-0.2	-8.7
Portfolio investment liabilities (line 88):			
Revised	231.3	792.5	315.7
Previously published	231.3	799.2	320.0
Amount of revision	0.0	-6.7	-4.3
Equity and investment fund shares (line 89):			
Revised	-139.7	149.6	142.4
Previously published	-139.7	155.7	147.2
Amount of revision	0.0	-6.0	-4.8
Debt securities (line 90)			
Revised	371.0	642.9	173.3
Previously published	371.0	643.5	172.8

	2016	2017	2018
Amount of revision	0.0	-0.6	0.5
Other investment liabilities (line 93):			
Revised	17.1	401.9	161.5
Previously published	15.7	383.7	213.8
Amount of revision	1.4	18.2	-52.3
Currency and deposits (line 94):			
Revised	18.7	217.8	32.3
Previously published	17.2	217.4	29.6
Amount of revision	1.5	0.3	2.7
Loans (line 95):			
Revised	-7.6	168.9	114.1
Previously published	-7.6	150.8	169.7
Amount of revision	(*)	18.0	-55.7
Financial derivatives other than reserves, net transactions (line 99):			
Revised	7.8	24.0	-20.7
Previously published	7.8	23.1	-20.3
Amount of revision	0.0	0.9	-0.5
Net lending (+) or net borrowing (-) from financial-account transactions (line 109):			
Revised	-382.0	-357.6	-445.5
Previously published	-385.1	-331.9	-519.6
Amount of revision	3.0	-25.7	74.1

(*) A nonzero value between -\$50,000,000 and \$50,000,000.

Note. Line numbers refer to ITA [table 1.2](#) on BEA's website.

Net U.S. acquisition of financial assets excluding financial derivatives

Net U.S. acquisition of financial assets excluding financial derivatives was revised up for 2016 and 2018 and revised down for 2017. The revisions reflect (1) an upward revision to net acquisition of direct investment assets for 2016, (2) downward revisions to net acquisition of portfolio investment assets and other investment assets for 2017, and (3) an upward revision to net acquisition of portfolio investment assets that was largely offset by a downward revision to net acquisition of other investment assets for 2018.

Direct investment assets. Net acquisition of direct investment assets was revised up for 2016 and 2017, and net withdrawal of direct investment assets was revised up for 2018. The revisions reflect newly available and revised source data from BEA quarterly and annual direct investment surveys. Revisions to 2016 and 2017 reflect revised current-cost adjustments to direct investment income, which enter into direct investment assets as a component of reinvestment of earnings. Newly available and revised source data from BEA quarterly direct investment surveys are incorporated for 2018 only (see "[Primary income](#)").

Portfolio investment assets. Net acquisition of portfolio investment assets (equity and debt securities) was unrevised for 2016, revised down for 2017, and revised up for 2018. The largest revision was a \$123.7 billion upward revision for 2018. The revisions reflect newly available and revised source data from the TIC surveys of U.S. holdings of foreign securities.⁴

Other investment assets. Net liquidation of other investment assets (currency and deposits, loans, insurance technical reserves, and trade credit and advances) was revised up for 2016. Net acquisition of other investment assets was revised down for 2017 and 2018. The largest revision was a \$86.7 billion downward revision in net acquisition for 2018. The revisions mainly reflect

newly available and revised source data from the TIC surveys of U.S. claims on foreigners and from newly available data from the Bank for International Settlements on deposits placed by U.S. nonfinancial companies in foreign banks.⁵

Net U.S. incurrence of liabilities excluding financial derivatives

Net U.S. incurrence of liabilities excluding financial derivatives was revised up for 2016 and 2017 and revised down for 2018. The revisions reflect (1) upward revisions to net incurrence of other investment liabilities for 2016 and 2017 and (2) downward revisions to net incurrence of other investment liabilities, direct investment liabilities, and portfolio investment liabilities for 2018.

Direct investment liabilities. Net incurrence of direct investment liabilities was revised down for 2016–2018. The largest revision was a \$8.7 billion downward revision for 2018. The revisions mainly reflect newly available and revised source data from BEA's quarterly and annual direct investment surveys. Revisions to 2016 and 2017 reflect revised current-cost adjustments to direct investment income, which enter into direct investment liabilities as a component of reinvestment of earnings. Newly available and revised source data from BEA's quarterly direct investment surveys are incorporated for 2018 only (see "[Primary income](#)").

Portfolio investment liabilities. Net incurrence of portfolio investment liabilities was unrevised for 2016 and was revised down for 2017 and 2018. The largest revisions were a \$6.7 billion downward revision for 2017 and a \$4.3 billion downward revision for 2018. The revisions reflect newly available and revised source data from the TIC surveys of foreign holdings of U.S. securities.⁶

Other investment liabilities. Net incurrence of other investment liabilities was revised up for 2016 and 2017 and down for 2018. The largest revisions were a \$52.3 billion downward revision for 2018 and a \$18.2 billion upward revision for 2017. The revisions reflect newly available and revised source data from the TIC surveys of U.S. liabilities to foreigners.⁷

Statistical discrepancy

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. In principle, the combined deficit (or surplus) on recorded transactions in the current and capital accounts should equal net borrowing (or net lending) measured by recorded transactions in the financial account. In practice, however, they differ because of incomplete source data, gaps in coverage, and timing differences.

Table A presents revisions to the statistical discrepancy for 2016–2018.

Future Enhancements to Standard Tables

With the September 2019 release of the ITAs, BEA will introduce two new standard tables that present (1) geographical detail by type of transaction and (2) annual trade in goods and services with expanded country and geographic area detail.

BEA also plans to make several improvements to the standard table presentations of the ITAs as part of the annual update in 2020. Prototype tables reflecting the improved presentations will be published in September 2019 alongside the current standard tables. Both sets of tables will be published until June 2020, when the prototype tables will replace the current standard tables. For more information on these upcoming changes, see [“Enhancements Coming After the June 2019 Annual Update”](#) in the April 2019 *Survey of Current Business*.

Acknowledgments

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Appendix A. Revisions to U.S. International Transactions

[Millions of dollars]

	2016	2017	2018
Balance on goods and services:			
Revised	-502,982	-550,123	-627,679
Previously published	-502,001	-552,277	-622,106
Amount of revision	-981	2,154	-5,573
Balance primary income:			
Revised	198,654	225,799	253,985
Previously published	193,023	221,731	244,295
Amount of revision	5,631	4,068	9,690
Balance on secondary income:			
Revised	-124,022	-115,322	-117,284
Previously published	-123,895	-118,597	-110,661
Amount of revision	-127	3,275	-6,623
Balance on current account:			
Revised	-428,349	-439,646	-490,978
Previously published	-432,873	-449,142	-488,472
Amount of revision	4,524	9,496	-2,506
Balance on capital account:			
Revised	-152	18,950	3,235
Previously published	-59	24,746	9,409
Amount of revision	-93	-5,796	-6,174
Net lending (+) or net borrowing (-) from financial-account transactions:			
Revised	-382,042	-357,579	-445,477
Previously published	-385,078	-331,860	-519,556
Amount of revision	3,036	-25,719	74,079

Appendix B. Revisions to Quarterly U.S. International Transactions Statistics

[Millions of dollars, quarters seasonally adjusted]

	2013				2014			
	I	II	III	IV	I	II	III	IV
Balance on goods and services:								
Revised	-119,068	-117,165	-117,425	-107,478	-120,547	-124,597	-120,226	-124,213
Previously published	-119,068	-117,165	-117,425	-107,478	-121,862	-125,091	-119,583	-123,048
Amount of revision	0	0	0	0	1,315	494	-643	-1,165
Balance primary income:								
Revised	47,204	50,805	54,259	53,709	54,918	53,143	59,169	51,161
Previously published	47,204	50,805	54,259	53,709	55,300	53,418	59,143	50,530
Amount of revision	0	0	0	0	-382	-275	26	631
Balance on secondary income:								
Revised	-22,441	-24,432	-24,950	-21,821	-22,944	-14,453	-27,536	-29,072
Previously published	-22,441	-24,432	-24,950	-21,821	-22,970	-14,437	-27,368	-29,231
Amount of revision	0	0	0	0	26	-16	-168	159
Balance on current account:								
Revised	-94,304	-90,791	-88,116	-75,590	-88,573	-85,907	-88,594	-102,125
Previously published	-94,304	-90,791	-88,116	-75,590	-89,533	-86,110	-87,807	-101,749
Amount of revision	0	0	0	0	960	203	-787	-376
Balance on capital account:								
Revised	-40	-227	-146	(*)	-43	-2	-1	(*)

	2013				2014			
	I	II	III	IV	I	II	III	IV
Previously published	-40	-227	-146	(*)	-43	-2	-1	(*)
Amount of revision	0	0	0	0	0	0	0	0
Net lending (+) or net borrowing (-) from financial-account transactions:								
Revised	-47,980	-36,060	-141,943	-174,276	-113,490	-82,758	-58,651	-42,355
Previously published	-47,980	-36,060	-141,943	-174,276	-113,676	-82,178	-58,459	-42,942
Amount of revision	0	0	0	0	186	-580	-192	587
	2015				2016			
	I	II	III	IV	I	II	III	IV
Balance on goods and services:								
Revised	-125,743	-122,091	-127,450	-123,241	-125,634	-123,150	-122,090	-132,108
Previously published	-125,708	-121,473	-127,531	-123,813	-125,261	-122,099	-121,770	-132,871
Amount of revision	-35	-618	81	572	-373	-1,051	-320	763
Balance primary income:								
Revised	51,882	48,740	49,335	53,651	45,374	48,496	46,367	58,418
Previously published	52,378	49,152	49,016	53,062	45,447	47,543	43,909	56,124
Amount of revision	-496	-412	319	589	-73	953	2,458	2,294
Balance on secondary income:								
Revised	-28,280	-24,694	-31,073	-28,800	-32,175	-28,662	-31,069	-32,116
Previously published	-28,270	-24,677	-31,035	-28,865	-32,087	-28,501	-31,465	-31,842
Amount of revision	-10	-17	-38	65	-88	-161	396	-274
Balance on current account:								
Revised	-102,141	-98,045	-109,188	-98,390	-112,435	-103,316	-106,792	-105,806
Previously published	-101,600	-96,999	-109,550	-99,616	-111,901	-103,057	-109,327	-108,589
Amount of revision	-541	-1,046	362	1,226	-534	-259	2,535	2,783
Balance on capital account:								
Revised	-22	-20	-1	0	-58	(*)	-94	0
Previously published	-22	-20	-1	0	-58	0	-1	0
Amount of revision	0	0	0	0	0	(*)	-93	0
Net lending (+) or net borrowing (-) from financial-account transactions:								
Revised	-121,328	-134,301	-36,347	-33,972	-104,226	-17,016	-197,610	-63,190
Previously published	-121,288	-133,654	-36,535	-34,471	-101,609	-17,541	-199,854	-66,073
Amount of revision	-40	-647	188	499	-2,617	525	2,244	2,883
	2017				2018			
	I	II	III	IV	I	II	III	IV
Balance on goods and services:								
Revised	-134,050	-139,677	-131,422	-144,974	-153,108	-140,001	-163,424	-171,146
Previously published	-134,959	-136,700	-132,791	-147,826	-156,256	-136,875	-162,011	-166,964
Amount of revision	909	-2,977	1,369	2,852	3,148	-3,126	-1,413	-4,182
Balance primary income:								
Revised	53,609	49,606	59,693	62,890	66,372	62,829	64,724	60,059
Previously published	52,604	48,535	58,222	62,371	61,189	62,332	60,339	60,435
Amount of revision	1,005	1,071	1,471	519	5,183	497	4,385	-376
Balance on secondary income:								
Revised	-23,854	-32,804	-27,979	-30,686	-27,264	-30,139	-27,039	-32,841
Previously published	-25,355	-33,672	-28,878	-30,692	-28,856	-29,026	-24,931	-27,849
Amount of revision	1,501	868	899	6	1,592	-1,113	-2,108	-4,992
Balance on current account:								

	2013				2014			
	I	II	III	IV	I	II	III	IV
Revised	-104,295	-122,874	-99,708	-112,769	-114,001	-107,311	-125,739	-143,927
Previously published	-107,709	-121,837	-103,447	-116,148	-123,923	-103,568	-126,604	-134,377
Amount of revision	3,414	-1,037	3,739	3,379	9,922	-3,743	865	-9,550
Balance on capital account:								
Revised	-58	-96	19,144	-40	-2	-5	521	2,721
Previously published	-1	0	24,787	-40	-2	-5	559	8,856
Amount of revision	-57	-96	-5,643	0	(*)	0	-38	-6,135
Net lending (+) or net borrowing (-) from financial-account transactions:								
Revised	-67,234	-151,704	-116,317	-22,324	-93,376	-133,098	-57,381	-161,621
Previously published	-68,606	-120,111	-111,891	-31,252	-160,739	-153,664	-36,843	-168,310
Amount of revision	1,372	-31,593	-4,426	8,928	67,363	20,566	-20,538	6,689

(*) A nonzero value between -\$500,000 and \$500,000.

1. For a discussion of the annual update of the IIP accounts, see Elena L. Nguyen and Erin M. Whitaker, "U.S. Net International Investment Position: First Quarter 2019, Year 2018, and Annual Update" in this issue of the *Survey of Current Business*.
2. As part of BEA's goal to more accurately portray the changing U.S. economy, with the June 2018 annual update, BEA extended the minimum period for incorporating revised seasonal factors for most quarterly ITA statistics from 3 to 5 years. With the 2019 annual update, in cooperation with the U.S. Census Bureau, BEA also applied this extended revision period to seasonally adjusted trade in goods. With future annual updates, BEA will revise seasonal factors for the most recent 5 years and for additional years, depending on the period of revision for underlying not seasonally adjusted data.
3. Statistics for portfolio investment income and for other investment income are based partly on resident-nonresident transactions and positions collected monthly and quarterly on the TIC surveys, as explained in *U.S. International Economic Accounts: Concepts and Methods*, chapter 10, paragraphs 10.169–10.189.
4. Revised data from the following TIC surveys were incorporated: (1) Aggregate Holdings of Long-Term Securities by U.S. and Foreign Residents (foreign securities), (2) Report of U.S. Ownership of Foreign Securities, Including Selected Money Market Instruments, and (3) Reports by Financial Institutions of Liabilities to, and Claims on, Foreign Residents by U.S. Residents (claims)."
5. Revised data from the following TIC surveys were incorporated: (1) Reports by Financial Institutions of Liabilities to, and Claims on, Foreign Residents by U.S. Residents (claims) and (2) Reports of Liabilities to, and Claims on, Unaffiliated Foreign Residents by U.S. Resident Nonfinancial Institutions (claims).
6. Revised data from the following TIC surveys were incorporated: (1) Aggregate Holdings of Long-Term Securities by U.S. and Foreign Residents (U.S. securities), (2) Foreign-residents' Holdings of U.S. Securities, including Selected Money Market Instruments, and (3) Reports by Financial Institutions of Liabilities to, and Claims on, Foreign Residents by U.S. Residents (liabilities).
7. Revised data from the following TIC surveys were incorporated: (1) Reports by Financial Institutions of Liabilities to, and Claims on, Foreign Residents by U.S. Residents (liabilities) and (2) Reports of Liabilities to, and Claims on, Unaffiliated Foreign Residents by U.S. Resident Nonfinancial Institutions (liabilities).