



Chronicling 100 Years of the U.S. Economy

July 2021

Volume 101, Number 7

Annual Update of the U.S. International Transactions Accounts

By Ami Adjoh-Baliki and Jason Sutterley

In June 2021, the Bureau of Economic Analysis (BEA) released the results of the 2021 annual updates of the U.S. International Transactions Accounts (ITAs) and the U.S. International Investment Position (IIP) Accounts.¹ With this annual update of the ITAs, 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 2018–2020 were updated to incorporate newly available and revised source data, mainly from the U.S. Census Bureau.
- Services exports and imports for 2013–2020 were updated to incorporate newly available and revised source data, mainly from BEA's surveys of international services, including the 2018 Benchmark Survey of Insurance Transactions by U.S. Insurance Companies with Foreign Persons. For personal, cultural, and recreational services, exports and imports for 2020 were updated to also incorporate newly available source data on remote education during the COVID-19 pandemic from the Institute of International Education (IIE).
- Primary income receipts and payments for 2017–2020 were updated to incorporate newly available and revised source data, mainly from BEA's surveys of direct investment, including the 2017 Benchmark Survey of Foreign Direct Investment in the United States, and the U.S. Department of the Treasury's Treasury International Capital (TIC) surveys.
- Secondary income receipts and payments for 2013–2020 were updated to incorporate newly available and revised source data, mainly from BEA's 2018 Benchmark Survey of Insurance Transactions by U.S. Insurance Companies with Foreign Persons.
- Financial asset and liability transactions for direct investment, portfolio investment, other investment, and financial derivatives for 2017–2020 were updated to incorporate newly available and revised source data, mainly from BEA's surveys of direct investment, including the 2017 Benchmark Survey of Foreign Direct Investment in the United States, and the TIC surveys.
- Seasonal factors and trading-day adjustments were revised for 2016–2020.

Appendix A provides a numerical summary of quarterly revisions to key ITA balances. For a comparison of this year's revisions with revisions from past annual updates, see the box "[2021 Annual Update in Historical Context](#)."

For 2013–2020, this annual update has not altered the overall picture of U.S. international transactions. Revisions to the current-account deficit and to net borrowing from financial-account transactions generally did not alter their direction of change (increase or decrease). The exception was net borrowing for 2019, which decreased \$24.2 billion in the previously published statistics and increased \$132.0 billion in the revised statistics. The largest revision to the current-account deficit was a downward revision of \$31.1 billion for 2020 (table A, chart 1). The largest revision to net borrowing from financial-account transactions was a downward revision of \$90.6 billion for 2020 (chart 2).

The next section of this article discusses the incorporation of the 2017 Benchmark Survey of Foreign Direct Investment in the United States, the incorporation of the 2018 Benchmark Survey of Insurance Transactions by U.S. Insurance Companies with Foreign Persons, and special adjustments to source data. The final section summarizes the effects of the revisions on the current account, the financial account, and the statistical discrepancy of the ITAs.

Table A. Revisions to Current-Account and Capital-Account Balances, Net Lending or Borrowing from Financial-Account Transactions, and the Statistical Discrepancy, 2013–2020

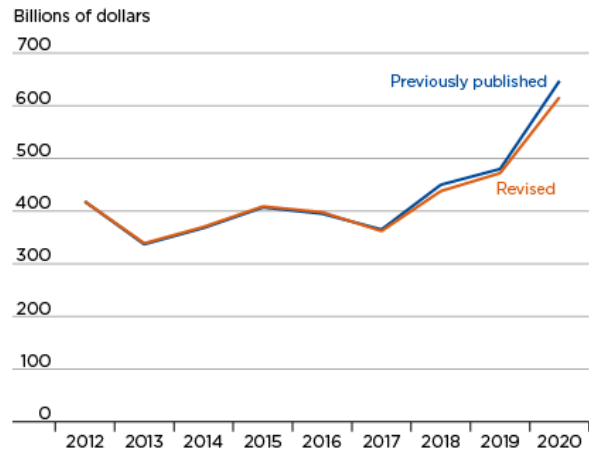
[Billions of dollars]

Balances and statistical discrepancy	2013	2014	2015	2016	2017	2018	2019	2020
Balance on current account (line 101):								
Revised	-339.5	-370.0	-408.9	-397.6	-361.7	-438.2	-472.1	-616.1
Previously published	-336.9	-367.8	-407.4	-394.9	-365.3	-449.7	-480.2	-647.2
Amount of revision	-2.6	-2.2	-1.5	-2.7	3.6	11.5	8.1	31.1
Balance on goods and services (line 102):								
Revised	-446.9	-484.0	-491.4	-481.5	-512.7	-581.0	-576.3	-676.7
Previously published	-446.8	-484.1	-491.3	-481.2	-513.8	-579.9	-576.9	-681.7
Amount of revision	(*)	0.2	-0.2	-0.3	1.1	-1.0	0.5	5.0
Balance on primary income (line 105):								
Revised	195.5	200.3	185.4	197.0	259.5	259.1	231.9	188.5
Previously published	195.5	200.3	185.4	197.0	257.8	251.2	236.3	181.6
Amount of revision	0.0	0.0	0.0	0.0	1.8	8.0	-4.4	6.9
Balance on secondary income (line 106):								
Revised	-88.1	-86.3	-102.8	-113.1	-108.5	-116.4	-127.7	-127.9
Previously published	-85.5	-84.0	-101.5	-110.7	-109.3	-120.9	-139.7	-147.1
Amount of revision	-2.6	-2.4	-1.4	-2.4	0.8	4.5	12.0	19.2
Balance on capital account (line 107):								
Revised	-6.6	-6.5	-7.9	-6.6	12.4	-4.3	-6.4	-5.5
Previously published	-6.6	-6.5	-7.9	-6.6	12.4	-4.2	-6.2	-6.0
Amount of revision	0.0	0.0	0.0	0.0	0.0	-0.1	-0.2	0.5
Net lending (+) or net borrowing (-) from financial-account transactions (line 109):								
Revised	-400.1	-297.1	-333.1	-363.6	-344.6	-348.4	-480.4	-653.0
Previously published	-400.1	-297.1	-333.1	-363.6	-334.1	-419.7	-395.5	-743.6
Amount of revision	0.0	0.0	0.0	0.0	-10.5	71.4	-84.8	90.6
Statistical discrepancy (line 100):								
Revised	-54.1	79.4	83.7	40.5	4.7	94.1	-1.8	-31.4
Previously published	-56.7	77.3	82.2	37.8	18.8	34.2	90.9	-90.3
Amount of revision	2.6	2.2	1.5	2.7	-14.1	60.0	-92.7	58.9

(*) Transactions between +/- \$50,000,000.

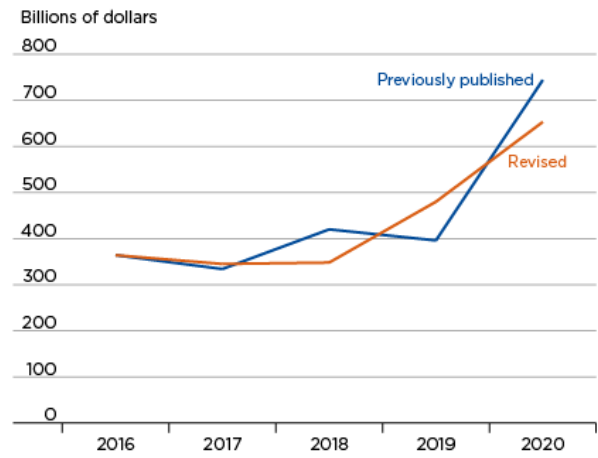
Note. Line numbers refer to ITA [table 1.2](#) on BEA's website.

Chart 1. Annual Current-Account Deficit, 2012–2020



U.S. Bureau of Economic Analysis

Chart 2. Annual Net Borrowing from Financial-Account Transactions, 2016–2020



U.S. Bureau of Economic Analysis

2021 Annual Update in Historical Context

The 2021 annual update represents the first annual update of statistics for 2020, the second annual update of statistics for 2019, and the third annual update of statistics for 2018. Revisions to quarterly statistics are similar in size to typical first, second, and third annual revisions that were released each June in 2000–2020 (for statistics for 1999–2019), while revisions to annual statistics were mostly smaller than revisions in previous updates.¹

As shown in table I, mean absolute revisions (MARs) for the quarterly and annual statistics for the current-account balance are mostly smaller or in line with comparable MARs from past years, while MARs for net lending/borrowing from financial-account transactions are slightly larger than comparable MARs from past years. (In this table, a “ratio” value less than one indicates that the June 2021 revisions are smaller than average revisions in annual updates of past years.)

Table I. Comparison of Revisions from the 2021 Annual Update with Revisions from Previous Annual Updates

Quarterly and annual statistics	MAR from the 2021 annual update	MAR from previous annual updates	Ratio ¹
Balance on current account			
Quarterly statistics			
2018 ²	0.063	0.124	0.51
2019 ³	0.043	0.139	0.31
2020 ⁴	0.146	0.147	1.00
Annual statistics			
2018 ²	0.056	0.106	0.53
2019 ³	0.039	0.119	0.32
2020 ⁴	0.145	0.128	1.13
Net lending or borrowing from financial-account transactions			
Quarterly statistics			
2018 ²	0.518	0.425	1.22
2019 ³	0.460	0.623	0.74
2020 ⁴	0.726	0.656	1.11
Annual statistics			
2018 ²	0.351	0.310	1.13
2019 ³	0.405	0.289	1.40
2020 ⁴	0.421	0.352	1.20

MAR Mean absolute revision

1. Ratio is MAR from the 2021 annual update divided by MAR from previous annual updates.
2. Revisions to statistics on transactions for 2018 are compared with revisions in previous third annual updates in 2002–2020.
3. Revisions to statistics on transactions for 2019 are compared with revisions in previous second annual updates in 2001–2020.
4. Revisions to statistics on transactions for 2020 are compared with revisions in previous first annual updates in 2000–2020.

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 0.54 for the balance on the current account in the first column is the geometric mean of 0.51, 0.31, and 1.00 from the third column of table I.) The 2021 revisions to exports of goods and services and income receipts and to imports of goods and services and income payments are both considerably smaller than historical revisions, particularly for the annual statistics. The 2021 revisions to components of these two aggregates also are mostly small relative to historical averages. The largest relative revisions are in the balance on secondary income and net lending/borrowing from the financial account.

Table II. Ratios of Revisions from the 2021 Annual Update to Revisions from Previous Annual Updates
 [Geometric mean of ratios of MARS]¹

Selected current- and financial-account aggregates and balances	Quarterly statistics	Annual statistics
Exports of goods and services and income receipts	0.45	0.16
Goods exports	1.31	0.12
Services exports	0.43	0.17
Primary income receipts	0.36	0.12
Imports of goods and services and income payments	0.23	0.03
Goods imports	1.11	0.28
Services imports	0.59	0.38
Primary income payments	0.48	0.55
Net U.S. acquisition of financial assets excluding financial derivatives	1.07	0.79
Net U.S. incurrence of liabilities excluding financial derivatives	0.81	0.70
Balance on goods	0.98	0.78
Balance on services	0.40	0.44
Balance on goods and services	0.48	0.16
Balance on primary income	0.34	0.29
Balance on secondary income	1.39	1.72
Balance on current account	0.54	0.58
Net lending/borrowing from financial account	1.00	1.24
Addenda:		
Exports of goods and services and income payments excluding effects of the 2014 definitional changes ²	0.55	0.20
Imports of goods and services and income receipts excluding effects of the 2014 definitional changes ²	0.40	0.06

MARS Mean absolute revisions

1. Geometric mean computed over three ratios: (1) ratio of MAR of statistics for 2012 to MAR from other first annual updates; (2) ratio of MAR of statistics for 2019 to MAR from other second annual updates; (3) ratio of MAR of statistics for 2018 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 are much larger than in 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 addenda, 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 gross domestic product (GDP) is derived using a Hodrick-Prescott filter to separate out 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* 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).

Incorporation of Benchmark Surveys and Special Adjustments to Source Data

Results from the 2017 Benchmark Survey of Foreign Direct Investment in the United States

BEA collects information on direct investment and trade in services through mandatory surveys of U.S. companies. In addition to quarterly and annual surveys, which collect information from a sample of companies whose transactions are covered in the ITAs, BEA also conducts benchmark surveys every 5 years to collect information from the entire population—or universe—of these companies.² BEA extrapolates data from benchmark surveys for companies that are not required to report on the sample surveys using trends in the data of companies that report on the sample surveys. Therefore, statistical coverage is complete whether the periods are covered by benchmark surveys or only sample surveys.

Direct investment and related income receipts and payments for 2017–2020 were revised to incorporate the results of BEA's 2017 Benchmark Survey of Foreign Direct Investment in the United States. This survey collected data on the finances and operations of U.S. affiliates of foreign multinational enterprises.³ Estimates for 2017–2020 income and transactions for U.S. affiliates that are not required to file the quarterly survey were previously extrapolated from the 2012 benchmark survey and have been replaced with estimates that are extrapolated from the 2017 benchmark survey.

Results from the 2018 Benchmark Survey of Insurance Transactions by U.S. Insurance Companies with Foreign Persons

Insurance services exports and imports, and insurance-related transfers in secondary income receipts and payments, for 2013–2020 were revised to incorporate the results of BEA's 2018 Benchmark Survey of Insurance Transactions by U.S. Insurance Companies with Foreign Persons. This survey covered all U.S. insurance companies that engaged in reinsurance transactions with foreign persons; that earned premiums from, or incurred losses to, foreign persons in the capacity of primary insurers; or that had receipts or payments for international auxiliary insurance services.⁴ Estimates for 2013–2020 insurance services exports and imports, and insurance-related transfer receipts and payments, which were previously extrapolated from the 2013 benchmark survey, have been replaced with estimates that are extrapolated from the 2018 benchmark survey.

Improved coverage of aircraft imports

BEA's statistics on goods trade are based primarily on data that are collected by U.S. Customs and Border Protection (CBP) and compiled by the Census Bureau. These data generally reflect the movement of goods across the U.S. border. BEA applies adjustments to the data to align them with the coverage, valuation, definitions, and concepts used for the International Economic Accounts and the National Economic Accounts.

With the release of the third-quarter 2020 ITAs, BEA introduced a new coverage adjustment to record deliveries of foreign-manufactured aircraft to U.S. air carriers at foreign airports. Because these aircraft did not cross the U.S. border, they were not reported on CBP import declarations. However, according to international guidelines, they should be recorded in goods imports in the ITAs because a change in ownership between a U.S. resident and a nonresident has occurred. With this annual update, BEA extended this adjustment to the first quarter of 2020 to record additional deliveries at foreign ports. BEA has found no evidence of aircraft deliveries at foreign ports prior to 2020.

Improved estimates to include remote learning

Personal, cultural, and recreational services exports and imports were revised for the third and fourth quarters of 2020 based on the IIE's *Fall 2020 International Students Enrollment Snapshot* to account for the COVID-19 pandemic's effect on students, their global mobility, and remote education. The snapshot provides information from U.S. higher education institutions on international students studying in person or online, whether in the United States or abroad, for the 2020–2021 academic year. BEA used this information to estimate the tuition expenditures of foreign students studying remotely at U.S. higher education institutions from abroad and U.S. students studying remotely at foreign institutions from the United States. These expenditures are included in other personal, cultural, and recreational services. Although the report does not include information on the share of U.S. students studying remotely at foreign institutions, BEA assumed a similar share as the foreign students studying at U.S. institutions. Tuition and living expenses of international students that study in person, or remotely from the country of the institution, are included in education-related travel.

Effects of the Revisions

Current-account highlights

Current-account statistics were updated to incorporate newly available and revised source data for 2013–2020 and updated seasonal factors, which only affected quarterly statistics, for 2016–2020 (table B). Revisions to the current-account deficit for 2013–2020 did not alter its direction of change (increase or decrease) for any year. The current-account deficit was revised up for 2013–2016 and revised down for 2017–2020. 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 2013–2020, with one exception: for the second quarter of 2019, a \$1.1 billion increase in the deficit was revised to a decrease of \$3.2 billion (chart 3). 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 2020; the previously published \$48.7 billion increase in the deficit was revised down \$9.6 billion to a \$39.1 billion increase.

Goods and services. The deficit on goods and services was revised up for 2013, 2015, 2016, and 2018 and revised down for 2014, 2017, 2019, and 2020. The largest revision was a downward revision of \$5.0 billion for 2020. The revised statistics show the same trend as the previously published statistics.

The deficit on goods was revised down for 2018 and 2019 and revised up for 2020. The largest revision was an upward revision of \$6.5 billion for 2020. The revisions to exports and imports of goods primarily reflect revised source data from the Census Bureau.

The surplus on services was revised down for 2013, 2015, 2016, 2018, and 2019 and revised up for 2014, 2017, and 2020. The largest revision was an upward revision of \$11.5 billion for 2020. The revisions to exports and imports of services primarily reflect newly available and revised source data from BEA's surveys of international services, including the results of the 2018 Benchmark Survey of Insurance Transactions by U.S. Insurance Companies with Foreign Persons, newly available data on foreign students in the United States from U.S. Immigration and Customs Enforcement, and newly available data on U.S. purchases of tickets from foreign air carriers from the Airlines Reporting Corporation.

Primary income. The surplus on primary income was revised down for 2019 and revised up for 2017, 2018, and 2020. The largest revision was an upward revision of \$8.0 billion for 2018. The revisions to primary income receipts and payments primarily reflect newly available and revised source data from BEA's 2017 Benchmark Survey of Foreign Direct Investment in the United States, BEA's quarterly and annual direct investment surveys, and the TIC surveys.⁵

Secondary income. The deficit on secondary income (current transfers) was revised up for 2013–2016 and revised down for 2017–2020. The largest revisions were downward revisions of \$12.0 billion for 2019 and \$19.2 billion for 2020. The revisions to secondary income primarily reflect revisions from incorporating the results of BEA's 2018 Benchmark Survey of Insurance Transactions by U.S. Insurance Companies with Foreign Persons and the TIC surveys.

Table B. Revisions to Selected Current-Account Transactions, 2013–2020

[Billions of dollars]

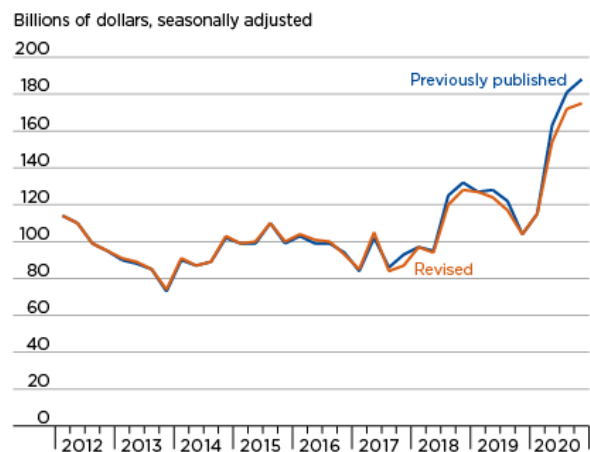
Selected current-account transactions	2013	2014	2015	2016	2017	2018	2019	2020
Exports of goods and services and income receipts (line 1):								
Revised	3,250.5	3,379.1	3,238.0	3,237.3	3,548.3	3,793.6	3,812.5	3,258.6
Previously published	3,250.8	3,379.1	3,236.3	3,235.4	3,542.0	3,792.9	3,805.9	3,227.6
Amount of revision	-0.3	(*)	1.7	1.8	6.3	0.8	6.5	31.0
Exports of goods (line 3):								
Revised	1,593.7	1,635.6	1,511.4	1,457.4	1,557.0	1,676.9	1,652.1	1,428.8
Previously published	1,593.7	1,635.6	1,511.4	1,457.4	1,557.0	1,677.0	1,652.4	1,435.1
Amount of revision	0.0	0.0	0.0	0.0	0.0	(*)	-0.4	-6.3
Exports of services (line 13):								
Revised	719.4	757.1	768.7	780.9	833.8	861.7	876.3	705.6
Previously published	719.5	756.7	768.4	780.5	830.4	862.4	875.8	692.1
Amount of revision	-0.1	0.3	0.3	0.4	3.4	-0.7	0.5	13.5
Insurance services	-0.1	0.3	0.3	0.4	0.8	1.2	2.3	3.8
Travel (for all purposes including education)	0.0	0.0	0.0	0.0	2.6	4.3	6.0	1.1
Personal, cultural, and recreational services	0.0	0.0	0.0	0.0	0.0	-1.0	-1.2	2.8
Other services	0.0	0.0	0.0	0.0	0.0	-5.1	-6.7	5.9
Primary income receipts (line 23):								
Revised	811.6	845.9	825.1	857.8	997.0	1,106.4	1,124.9	957.9
Previously published	811.6	845.9	825.1	857.8	997.5	1,108.5	1,135.7	958.3
Amount of revision	0.0	0.0	0.0	0.0	-0.5	-2.1	-10.8	-0.5
Direct investment income	0.0	0.0	0.0	0.0	0.2	-2.6	-9.0	1.0
Other primary income	0.0	0.0	0.0	0.0	-0.7	0.5	-1.8	-1.4

Selected current-account transactions	2013	2014	2015	2016	2017	2018	2019	2020
Secondary income receipts (line 30):								
Revised	125.8	140.6	132.9	141.1	160.5	148.6	159.2	166.3
Previously published	126.0	140.9	131.5	139.7	157.1	145.0	142.0	142.0
Amount of revision	-0.2	-0.3	1.4	1.4	3.4	3.6	17.2	24.3
Insurance-related transfers	-0.2	-0.3	1.4	1.4	3.0	4.1	16.9	25.0
Other secondary income	0.0	0.0	0.0	0.0	0.4	-0.5	0.2	-0.7
Imports of goods and services and income payments (line 31):								
Revised	3,589.9	3,749.1	3,646.9	3,634.9	3,910.1	4,231.9	4,284.6	3,874.7
Previously published	3,587.6	3,746.9	3,643.7	3,630.3	3,907.3	4,242.6	4,286.2	3,874.8
Amount of revision	2.3	2.2	3.2	4.6	2.8	-10.7	-1.6	-0.1
Imports of goods (line 33):								
Revised	2,294.2	2,385.5	2,273.2	2,207.2	2,356.3	2,555.7	2,513.6	2,350.8
Previously published	2,294.2	2,385.5	2,273.2	2,207.2	2,356.3	2,557.3	2,516.8	2,350.7
Amount of revision	0.0	0.0	0.0	0.0	0.0	-1.6	-3.2	0.1
Civilian aircraft	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Other goods	0.0	0.0	0.0	0.0	0.0	-1.6	-3.2	(*)
Imports of services (line 42):								
Revised	465.7	491.1	498.2	512.6	547.2	563.9	591.1	460.3
Previously published	465.8	490.9	497.8	511.9	544.8	562.1	588.4	458.3
Amount of revision	-0.1	0.2	0.5	0.7	2.3	1.9	2.8	2.0
Insurance services	-0.1	0.2	0.5	0.7	2.4	0.1	0.1	-5.9
Transport	0.0	0.0	0.0	0.0	0.0	4.1	5.3	0.8
Personal, cultural, and recreational services	0.0	0.0	0.0	0.0	0.0	-0.4	-0.7	-1.0
Other services	0.0	0.0	0.0	0.0	0.0	-2.0	-2.0	8.2
Primary income payments (line 52):								
Revised	616.0	645.6	639.7	660.8	737.5	847.3	893.0	769.4
Previously published	616.0	645.6	639.7	660.8	739.7	857.3	899.3	776.7
Amount of revision	0.0	0.0	0.0	0.0	-2.2	-10.0	-6.3	-7.3
Direct investment income	0.0	0.0	0.0	0.0	-1.3	-10.1	-15.9	-0.2
Other primary income	0.0	0.0	0.0	0.0	-1.0	0.1	9.6	-7.2
Secondary income payments (line 58):								
Revised	213.9	226.9	235.7	254.2	269.0	265.0	286.9	294.2
Previously published	211.5	224.9	233.0	250.4	266.4	265.9	281.7	289.1
Amount of revision	2.4	2.0	2.7	3.8	2.7	-0.9	5.2	5.1
Insurance-related transfers	2.4	2.0	2.7	3.8	1.5	-0.9	4.9	1.1
Transfers to foreign students	0.0	0.0	0.0	0.0	0.4	0.8	0.7	0.6
Other secondary income	0.0	0.0	0.0	0.0	0.7	-0.8	-0.5	3.3

(*) Transactions between +/- \$50,000,000.

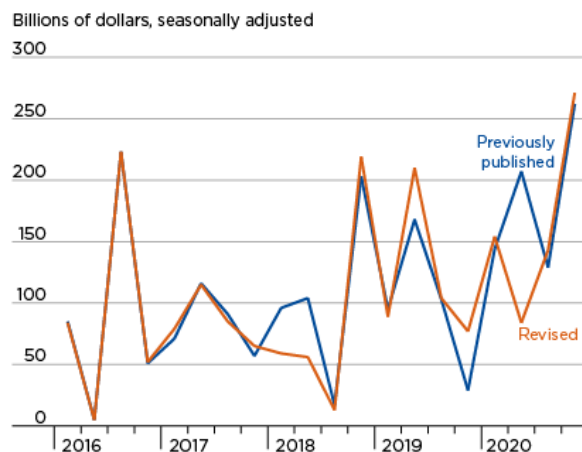
Note. Line numbers refer to ITA [table 1.2](#) on BEA's website.

Chart 3. Quarterly Current-Account Deficit, 2012–2020



U.S. Bureau of Economic Analysis

Chart 4. Quarterly Net Borrowing from Financial-Account Transactions, 2016–2020



U.S. Bureau of Economic Analysis

Financial-account transactions highlights

Financial-account statistics for 2017–2020 were updated to incorporate newly available and revised source data and updated seasonal factors. The largest revisions to net borrowing from financial-account transactions were a downward revision of \$90.6 billion for 2020 and an upward revision of \$84.8 billion for 2019 (table C).

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 to the previously published financial transactions. The revised quarterly financial transactions are mostly similar in size to the previously published financial transactions, with notable exceptions in the first and second quarters of 2018, the fourth quarter of 2019, and the second quarter of 2020 (chart 4).

Table C. Revisions to Selected Financial-Account Transactions, 2017–2020

[Billions of dollars]

Selected financial-account transactions	2017	2018	2019	2020
Net U.S. acquisition of financial assets excluding financial derivatives (net increase in assets/financial outflow (+)) (line 61):				
Revised	1,190.6	383.8	317.0	809.3
Previously published	1,188.2	359.0	440.8	763.5
Amount of revision	2.4	24.8	-123.7	45.8
Direct investment assets (line 62):				
Revised	409.4	-130.0	122.2	311.7
Previously published	405.4	-151.3	188.5	153.3
Amount of revision	4.0	21.3	-66.3	158.4
Portfolio investment assets (line 65):				
Revised	569.4	335.3	-13.5	220.0
Previously published	569.4	335.3	46.6	350.2
Amount of revision	(*)	0.0	-60.0	-130.2
Equity and investment fund shares (line 66):				
Revised	139.9	171.3	-163.4	241.8
Previously published	139.9	171.3	-191.3	299.7
Amount of revision	0.0	0.0	27.9	-57.9
Debt securities				
Short term (line 68):				
Revised	191.7	14.3	135.6	-53.8
Previously published	191.7	14.3	167.6	3.9
Amount of revision	(*)	0.0	-32.0	-57.7
Long term (line 69):				
Revised	237.8	149.7	14.3	32.0
Previously published	237.8	149.7	70.3	46.6
Amount of revision	0.0	0.0	-56.0	-14.6
Other investment assets (line 70):				
Revised	213.5	173.6	203.6	268.6
Previously published	215.1	170.0	201.1	251.0
Amount of revision	-1.6	3.6	2.6	17.6
Currency and deposits (line 71):				
Revised	170.9	106.1	132.4	92.9
Previously published	173.4	106.1	132.6	51.8
Amount of revision	-2.5	(*)	-0.2	41.1
Loans (line 72):				
Revised	35.7	64.9	68.7	182.2
Previously published	34.8	61.4	66.1	200.6
Amount of revision	0.9	3.5	2.6	-18.4
Net U.S. incurrence of liabilities excluding financial derivatives (net increase in liabilities/financial inflow (+)) (line 84):				
Revised	1,559.2	711.8	755.7	1,456.5
Previously published	1,546.3	758.3	798.0	1,503.7
Amount of revision	12.9	-46.5	-42.2	-47.2
Direct investment liabilities (line 85):				
Revised	380.8	214.3	302.2	211.3
Previously published	367.0	261.5	351.6	212.4
Amount of revision	13.8	-47.2	-49.4	-1.1
Portfolio investment liabilities (line 88):				
Revised	790.8	303.1	177.2	710.2
Previously published	790.8	303.1	180.0	760.0
Amount of revision	(*)	0.0	-2.8	-49.8
Equity and investment fund shares (line 89):				

Selected financial-account transactions	2017	2018	2019	2020
Revised	149.6	156.9	-244.1	648.4
Previously published	149.6	156.9	-244.1	725.7
Amount of revision	0.0	0.0	(*)	-77.3
Debt securities				
Short term (line 91):				
Revised	11.9	30.4	-33.1	272.5
Previously published	11.8	30.5	-43.2	267.3
Amount of revision	0.1	-0.1	10.0	5.1
Long term (line 92):				
Revised	629.3	115.8	454.4	-210.7
Previously published	629.3	115.7	467.2	-233.1
Amount of revision	-0.1	0.1	-12.8	22.4
Other investment liabilities (line 93):				
Revised	387.6	194.4	276.4	535.1
Previously published	388.5	193.7	266.4	531.4
Amount of revision	-0.9	0.7	10.0	3.7
Currency and deposits (line 94):				
Revised	218.8	12.7	204.3	323.6
Previously published	217.7	12.8	204.1	323.9
Amount of revision	1.1	-0.2	0.1	-0.3
Loans (line 95):				
Revised	154.4	165.8	62.1	198.9
Previously published	156.4	165.0	52.4	193.4
Amount of revision	-2.0	0.8	9.7	5.5
Financial derivatives other than reserves, net transactions (line 99):				
Revised	24.0	-20.4	-41.7	-5.8
Previously published	24.0	-20.4	-38.3	-3.3
Amount of revision	0.0	0.0	-3.3	-2.5
Net lending (+) or net borrowing (-) from financial-account transactions (line 109):				
Revised	-344.6	-348.4	-480.4	-653.0
Previously published	-334.1	-419.7	-395.5	-743.6
Amount of revision	-10.5	71.4	-84.8	90.6

(*) Transactions between +/- \$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 down for 2019 and revised up for 2017, 2018, and 2020. The revisions reflect (1) an upward revision to net acquisition of direct investment assets for 2017, (2) a downward revision to net withdrawal of direct investment assets for 2018, (3) a downward revision to net acquisition of direct investment assets and a shift from net acquisition to net withdrawal of portfolio investment assets for 2019, and (4) upward revisions to net acquisitions of direct investment assets and other investment assets that were largely offset by a downward revision to net acquisition of portfolio investment assets for 2020.

Direct investment assets. Net acquisition of direct investment assets was revised up for 2017 and 2020 and revised down for 2019. Net withdrawal of direct investment assets was revised down for 2018. The largest revisions were a \$158.4 billion upward revision to net acquisition for

2020 and a \$66.3 billion downward revision for 2019. The revisions for 2017–2020 reflect newly available and revised source data from BEA's quarterly and annual direct investment surveys and the incorporation of the 2017 Benchmark Survey of Foreign Direct Investment in the United States.

Portfolio investment assets. Net acquisition of portfolio investment assets (equity and debt securities) was nearly unrevised for 2017, was unrevised for 2018, and was revised down for 2020. Transactions shifted to net withdrawal from net acquisition for 2019. The largest revisions were a \$130.2 billion downward revision to net acquisition for 2020 and a \$60.0 billion shift to net withdrawal from net acquisition for 2019. The revisions reflect newly available and revised source data from the TIC surveys of U.S. holdings of foreign securities.⁶

Other investment assets. Net acquisition of other investment assets (currency and deposits, loans, insurance technical reserves, and trade credit and advances) was revised down for 2017 and revised up for 2018–2020. The largest revision was a \$17.6 billion upward revision for 2020. The revisions mainly reflect newly available and revised source data from the TIC surveys of U.S. claims on foreigners.

Net U.S. incurrence of liabilities excluding financial derivatives

Net U.S. incurrence of liabilities excluding financial derivatives was revised up for 2017 and revised down for 2018–2020. The revisions reflect (1) an upward revision to net incurrence of direct investment liabilities for 2017, (2) downward revisions to net incurrence of direct investment liabilities for 2018 and 2019, and (3) a downward revision to net incurrence of portfolio investment liabilities for 2020.

Direct investment liabilities. Net incurrence of direct investment liabilities was revised up for 2017 and revised down for 2018–2020. The largest revisions were a \$47.2 billion downward revision for 2018 and a \$49.4 billion downward revision for 2019. The revisions mainly reflect newly available and revised source data from BEA's quarterly and annual direct investment surveys and the incorporation of the 2017 Benchmark Survey of Foreign Direct Investment in the United States.

Portfolio investment liabilities. Net incurrence of portfolio investment liabilities was nearly unrevised for 2017, was unrevised for 2018, and was revised down for 2019 and 2020. The largest revision was a \$49.8 billion downward revision for 2020. The revisions reflect newly available and revised source data from the TIC surveys of foreign holdings of U.S. securities.⁷

Other investment liabilities. Net incurrence of other investment liabilities was revised down for 2017 and revised up for 2018–2020. The largest revision was a \$10.0 billion upward revision for 2018. The revisions reflect newly available and revised source data from the TIC surveys of U.S. liabilities to foreigners.⁸

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 2013–2020. The largest revisions to the statistical discrepancy were for 2018–2020.

Acknowledgments

Paul Farello, Associate Director for International Economics, and Patricia Abaroa, Chief of the Balance of Payments Division, provided overall supervision of the preparation of this year's annual update of the International Transactions Accounts.

The following BEA staff contributed significantly to the update:

Trade in goods: Kevin Barefoot, Marc Bouchard, Mai-Chi Hoang, and Christian Thieme.

Trade in services and secondary income (current transfers): Molly Garber, Ami Adjoh-Baliki, Shari Allen, Sarah Atkinson, Elliot Berg, Elye Bliss, Jeffrey Bogen, Laura Brokenbaugh, Edward Dozier III, C. Omar Kebbeh, Tony Martini, Michelle Murillo, Ted Peck, David Stein, Rudy Telles Jr., and Bryan Williams.

International services surveys: Christopher Stein, Pamela Aiken, Suhail Ally, Damon Battaglia, Kiesha Brown, Jamela DesVignes, Michael Flinch, Andre Garber, Brian Goddard, Hope Jones, Steven Muno, Alyssa Reinland, and Makia Riley.

Financial account and primary income: Christopher Gohrband, Nathan Hansen, Nicholas Martinez, Tait Militana, Elena Nguyen, Jason Sutterley, Douglas Weinberg, and Erin Whitaker.

Research and methodology: Raymond Mataloni Jr., Daniel Yorgason, Thomas Anderson, John Bockrath, Alexis Grimm, and Ryan Howley.

Direct investment: Jessica Hanson, Leila Morrison, Iris Branscome, Hicham Hadni, Kenneth Harvey, Louis Luu, Mariam Tekle-Haimanot, Dwayne Torney, Linda Wong, Ryan Smith, Peter Fox, Akeia Griffin, Susan LaPorte, Jesse Magolon, and Gazala Merchant.

Computer systems and operations for direct investment: Alice Ramey, Paula Brown, Byron Burt, Barbara Hubbard, Aneesh Kapoor, Neeta Kapoor, Karen Minor, Christopher Morski, and Kevin Smith.

Statistical production and data dissemination: Benjamin Kavanaugh, Alison Adam, Gentian Cala, Danielle Clavon, Steve Holliday, Walter Kampas, Paul Kilday, Anna Libkhen, Marina Melnik, Ying Ni, Kenneth Pond, Mitchell Shabani, Douglas Weinberg, and Shirley Zhou.

Secretarial and program assistance: Jada Bailey and Kathleen Rawson.

Appendix A. Quarterly Revisions to U.S. International Transactions—Continues

[Millions of dollars, seasonally adjusted]

Quarters	Balance on goods and services			Balance on primary income			Balance on secondary income		
	Previously published	Revised	Revision	Previously published	Revised	Revision	Previously published	Revised	Revision
2013: I	-115,417	-115,453	-36	45,308	45,308	0	-20,183	-20,761	-578
II	-114,590	-114,614	-24	48,579	48,579	0	-22,482	-23,111	-629
III	-112,888	-112,890	-2	51,420	51,420	0	-23,223	-23,909	-686
IV	-103,934	-103,904	30	50,213	50,213	0	-19,657	-20,334	-677
2014: I	-120,543	-120,492	51	50,664	50,664	0	-20,340	-21,070	-730
II	-122,263	-122,205	58	48,387	48,387	0	-12,675	-13,335	-660
III	-117,593	-117,542	51	54,283	54,283	0	-25,361	-25,912	-551
IV	-123,745	-123,713	32	46,969	46,969	0	-25,602	-26,022	-420
2015: I	-121,445	-121,459	-14	46,974	46,974	0	-24,574	-24,819	-245
II	-120,906	-120,941	-35	44,290	44,290	0	-22,702	-22,972	-270
III	-126,322	-126,376	-54	44,606	44,606	0	-27,922	-28,301	-379
IV	-122,588	-122,647	-59	49,505	49,505	0	-26,271	-26,751	-480
2016: I	-119,793	-120,528	-735	44,770	45,073	303	-28,227	-28,778	-551
II	-118,566	-119,150	-584	45,803	45,352	-451	-26,216	-26,875	-659
III	-117,645	-117,806	-161	46,817	46,354	-463	-28,103	-28,676	-573
IV	-125,166	-123,991	1,175	59,631	60,242	611	-28,170	-28,787	-617
2017: I	-123,326	-124,233	-907	60,469	59,650	-819	-21,036	-20,320	716
II	-129,618	-131,484	-1,866	58,241	56,828	-1,413	-30,983	-30,422	561
III	-125,535	-124,635	900	66,734	67,585	851	-27,433	-27,274	159
IV	-135,311	-132,388	2,923	72,349	75,482	3,133	-29,820	-30,495	-675
2018: I	-138,855	-140,186	-1,331	70,187	70,374	187	-27,918	-27,457	461
II	-130,230	-131,162	-932	64,494	66,417	1,923	-29,678	-28,839	839
III	-152,406	-151,023	1,383	56,638	59,131	2,493	-29,473	-27,982	1,491
IV	-158,445	-158,579	-134	59,855	63,209	3,354	-33,861	-32,139	1,722
2019: I	-145,237	-146,627	-1,390	53,298	54,497	1,199	-34,677	-34,977	-300
II	-152,210	-152,367	-157	59,467	60,267	800	-34,948	-31,815	3,133
III	-149,658	-148,609	1,049	61,621	60,332	-1,289	-33,556	-29,208	4,348
IV	-129,759	-128,737	1,022	61,958	56,823	-5,135	-36,524	-31,725	4,799
2020: I	-129,630	-134,248	-4,618	52,152	51,464	-688	-37,083	-32,004	5,079
II	-160,687	-158,549	2,138	33,342	34,524	1,182	-35,903	-29,841	6,062
III	-191,398	-187,101	4,297	48,218	48,257	39	-37,737	-33,519	4,218
IV	-199,985	-196,787	3,198	47,861	54,216	6,355	-36,361	-32,508	3,853

Appendix A. Quarterly Revisions to U.S. International Transactions—Table Ends

[Millions of dollars, seasonally adjusted]

Quarters	Balance on current account			Balance on capital account			Net lending (+) or net borrowing (-) from financial-account transactions		
	Previously published	Revised	Revision	Previously published	Revised	Revision	Previously published	Revised	Revision
2013: I	-90,293	-90,907	-614	-1,671	-1,671	0	-47,936	-47,936	0
II	-88,493	-89,146	-653	-1,882	-1,882	0	-35,979	-35,979	0
III	-84,691	-85,379	-688	-1,462	-1,462	0	-141,903	-141,903	0
IV	-73,377	-74,025	-648	-1,544	-1,544	0	-174,276	-174,276	0
2014: I	-90,219	-90,898	-679	-2,361	-2,361	0	-113,490	-113,490	0
II	-86,551	-87,153	-602	-1,298	-1,298	0	-82,615	-82,615	0
III	-88,671	-89,171	-500	-1,220	-1,220	0	-58,651	-58,651	0
IV	-102,378	-102,766	-388	-1,655	-1,655	0	-42,320	-42,320	0
2015: I	-99,045	-99,304	-259	-2,999	-2,999	0	-124,436	-124,436	0
II	-99,318	-99,622	-304	-1,266	-1,266	0	-137,039	-137,039	0
III	-109,638	-110,070	-432	-2,184	-2,184	0	-36,886	-36,886	0
IV	-99,354	-99,892	-538	-1,490	-1,490	0	-34,782	-34,782	0
2016: I	-103,250	-104,234	-984	-2,236	-2,236	0	-84,791	-84,133	658
II	-98,979	-100,673	-1,694	-1,078	-1,078	0	-4,856	-4,687	169
III	-98,931	-100,127	-1,196	-1,352	-1,352	0	-222,895	-222,890	5
IV	-93,705	-92,536	1,169	-1,940	-1,940	0	-51,090	-51,922	-832
2017: I	-83,894	-84,903	-1,009	-2,116	-2,116	0	-70,674	-79,387	-8,713
II	-102,359	-105,077	-2,718	-1,999	-1,999	0	-115,623	-114,592	1,031
III	-86,234	-84,324	1,910	18,213	18,213	0	-90,608	-85,388	5,220
IV	-92,782	-87,401	5,381	-1,703	-1,703	0	-57,190	-65,221	-8,031
2018: I	-96,587	-97,269	-682	-1,406	-1,347	59	-96,265	-59,376	36,889
II	-95,414	-93,584	1,830	-2,912	-2,937	-25	-103,970	-56,343	47,627
III	-125,241	-119,874	5,367	-455	-449	6	-16,796	-13,199	3,597
IV	-132,452	-127,508	4,944	576	472	-104	-202,693	-219,448	-16,755
2019: I	-126,616	-127,106	-490	-2,542	-2,732	-190	-95,175	-89,292	5,883
II	-127,691	-123,915	3,776	-848	-865	-17	-167,903	-209,551	-41,648
III	-121,594	-117,485	4,109	-835	-899	-64	-103,125	-104,132	-1,007
IV	-104,324	-103,640	684	-2,019	-1,947	72	-29,345	-77,402	-48,057
2020: I	-114,561	-114,788	-227	-2,971	-2,867	104	-144,317	-154,122	-9,805
II	-163,248	-153,866	9,382	-1,054	-946	108	-207,440	-84,255	123,185
III	-180,917	-172,362	8,555	-672	-550	122	-129,427	-143,408	-13,981
IV	-188,484	-175,079	13,405	-1,333	-1,124	209	-262,383	-271,199	-8,816

-
1. For a discussion of the revisions to the IIP Accounts, see Erin M. Whitaker, “[U.S. Net International Investment Position: First Quarter 2021, Annual Update, and Year 2020 \(Revised\)](#),” in this issue of the *Survey of Current Business*.
 2. For more information, see [A Guide to BEA's Direct Investment Surveys](#) and [A Guide to BEA's Services Surveys](#) on BEA's website.
 3. The benchmark survey data are also the source of BEA's statistics on the U.S. activities of foreign multinational enterprises for 2017. [These statistics](#) are available on BEA's website.
 4. Auxiliary insurance services include agents' commissions; insurance brokering and agency services; insurance consulting services; evaluation, loss adjustment expenses, and adjustment services; and regulatory and monitoring services on indemnities and recovery services.
 5. 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 13, paragraphs 13.28–13.48.
 6. 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).
 7. 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).
 8. 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 Non-Financial Institutions (liabilities).