

U.S. International Transactions

Fourth Quarter and Year 2021

By Rudy Telles Jr.

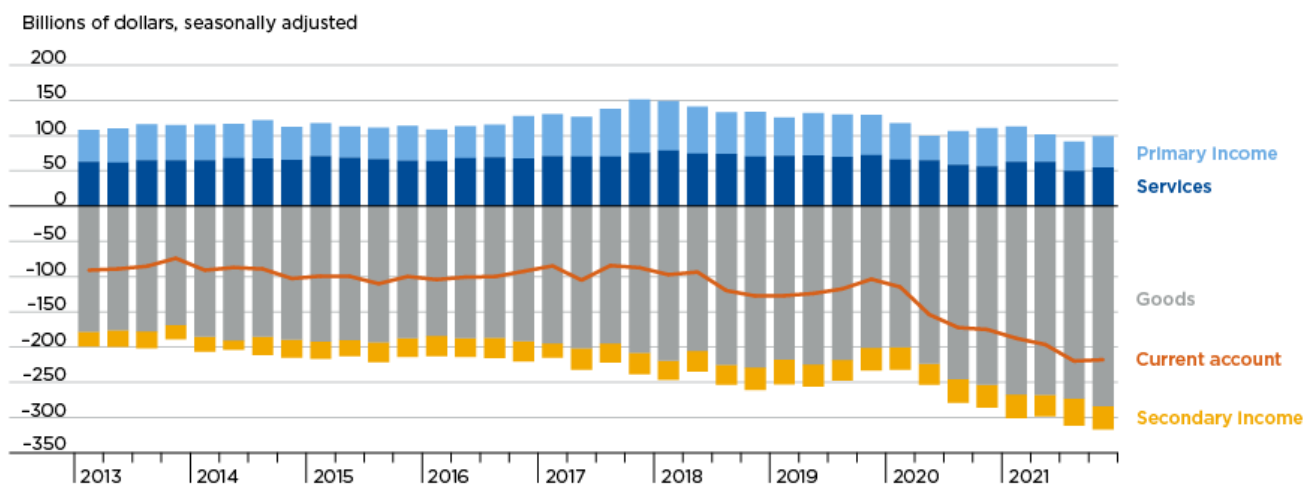
The U.S. current-account deficit, which reflects the combined balances on trade in goods and services and income flows between U.S. residents and residents of other countries, narrowed by \$2.0 billion, or 0.9 percent, to \$217.9 billion in the fourth quarter of 2021 (chart 1 and table A). The revised third-quarter deficit was \$219.9 billion.

The deficit was 3.6 percent of current-dollar gross domestic product (GDP), down from 3.8 percent in the third quarter.

The \$2.0 billion narrowing of the current-account deficit in the fourth quarter reflected a reduced deficit on secondary income and expanded surpluses on services and on primary income that were mostly offset by an expanded deficit on goods.

The U.S. current-account deficit widened by \$205.5 billion, or 33.4 percent, to \$821.6 billion in 2021. The deficit was 3.6 percent of current-dollar GDP, up from 2.9 percent in 2020.

Chart 1. U.S. Current-Account Balance and Its Components



U.S. Bureau of Economic Analysis

Table A. U.S. International Transactions

[Millions of dollars, seasonally adjusted]

Series	2021				Change 2021:Q3 to 2021:Q4
	Q1 ^r	Q2 ^r	Q3 ^r	Q4 ^p	
Current account					
Exports of goods and services and income receipts (credits)	895,916	933,830	958,119	1,005,864	47,745
Exports of goods and services	590,517	628,387	635,891	678,161	42,270
Goods	408,929	437,351	441,930	473,499	31,569
Services	181,588	191,036	193,960	204,662	10,702
Primary income receipts	262,893	263,965	279,724	284,207	4,483
Secondary income (current transfer) receipts	42,507	41,478	42,505	43,496	991
Imports of goods and services and income payments (debits)	1,083,446	1,130,183	1,177,991	1,223,744	45,753
Imports of goods and services	794,583	833,341	859,283	907,131	47,848
Goods	675,950	705,098	715,100	756,945	41,845
Services	118,634	128,243	144,183	150,186	6,003
Primary income payments	212,837	225,281	237,802	239,961	2,159
Secondary income (current transfer) payments	76,025	71,560	80,906	76,652	-4,254
Capital account					
Capital transfer receipts and other credits	23	8	3,813	7	-3,806
Capital transfer payments and other debits	2,765	870	809	1,851	1,042
Financial account					
Net U.S. acquisition of financial assets excluding financial derivatives (net increase in assets / financial outflow (+))	406,909	244,195	448,596	113,623	-334,973
Direct investment assets	88,017	172,251	100,025	140,996	40,971
Portfolio investment assets	294,204	126,195	274,682	-90,945	-365,627
Other investment assets	26,788	-54,728	-38,714	60,559	99,273
Reserve assets	-2,100	477	112,603	3,013	-109,590
Net U.S. incurrence of liabilities excluding financial derivatives (net increase in liabilities / financial inflow (+))	575,402	446,846	612,132	224,377	-387,755
Direct investment liabilities	71,560	87,537	170,282	120,229	-50,053
Portfolio investment liabilities	323,752	198,105	127,777	-66,394	-194,171
Other investment liabilities	180,090	161,204	314,073	170,543	-143,530
Financial derivatives other than reserves, net transactions	-2,216	-8,612	-7,980	-22,861	-14,881
Statistical discrepancy					
Statistical discrepancy¹	19,563	-14,046	45,352	86,109	40,757
Balances					
Balance on current account	-187,529	-196,353	-219,872	-217,880	1,992
Balance on goods and services	-204,067	-204,954	-223,392	-228,970	-5,578
Balance on goods	-267,021	-267,747	-273,170	-283,446	-10,276
Balance on services	62,954	62,793	49,778	54,476	4,698
Balance on primary income	50,056	38,684	41,922	44,246	2,324
Balance on secondary income	-33,518	-30,083	-38,401	-33,156	5,245
Balance on capital account	-2,743	-863	3,004	-1,844	-4,848
Net lending (+) or net borrowing (-) from current- and capital-account transactions²	-190,272	-197,216	-216,868	-219,724	-2,856
Net lending (+) or net borrowing (-) from financial-account transactions³	-170,709	-211,262	-171,516	-133,616	37,900

p Preliminary
r Revised
n.a. Not available

1. The statistical discrepancy is the difference between net acquisition of financial 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.
2. Sum of current- and capital-account balances.
3. Sum of net U.S. acquisition of financial assets and net transactions in financial derivatives less net U.S. incurrence of liabilities.

Note. The statistics are presented in [table 1.2](#) on BEA's website.

Data Availability and Methodology

Detailed statistics for U.S. international transactions and a description of the estimation methods are available on the U.S. Bureau of Economic Analysis website. For the statistics, see “[International Transactions, International Services, and International Investment Position Tables](#).” For the methods, see *U.S. International Economic Accounts: Concepts and Methods*.

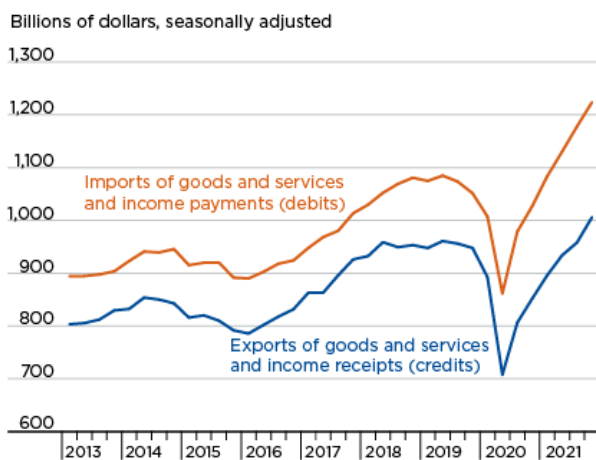
COVID-19 Impact on Fourth-Quarter 2021 International Transactions

Nearly all major categories of current-account transactions increased in the fourth quarter of 2021, the sixth consecutive quarter of broad-based growth following notable COVID-19-related declines in the second quarter of 2020. The full economic effects of the COVID-19 pandemic cannot be quantified in the statistics, because the impacts are generally embedded in source data and cannot be separately identified. More information can be found in the “[Technical Note](#)” that accompanied the fourth-quarter 2021 international transactions statistics.

Current Account, Fourth Quarter

Exports of goods and services to, and income received from, foreign residents increased \$47.7 billion to \$1.01 trillion in the fourth quarter (charts 2 and 3 and table B). Imports of goods and services from, and income paid to, foreign residents increased \$45.8 billion to \$1.22 trillion (charts 2 and 4 and table C).

Chart 2. Current-Account Transactions



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Trade in goods

Exports of goods increased \$31.6 billion to \$473.5 billion, and imports of goods increased \$41.8 billion to \$756.9 billion. The increases in both exports and imports reflected increases in all major categories, led by industrial supplies and materials and consumer goods.

Trade in services

Exports of services increased \$10.7 billion to \$204.7 billion, mostly reflecting increases in travel, primarily other personal travel, in transport, primarily air passenger transport, and in charges for the use of intellectual property, primarily licenses for the use of outcomes of research and development (such as patents and trade secrets). Imports of services increased \$6.0 billion to \$150.2 billion, mostly reflecting increases in transport, primarily sea freight transport, and in travel, primarily other personal travel.

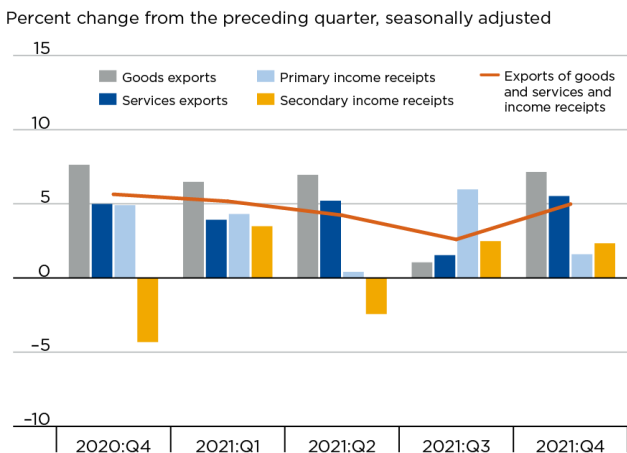
Primary income

Receipts of primary income increased \$4.5 billion to \$284.2 billion, mainly reflecting an increase in portfolio investment income, mostly equity securities. Payments of primary income increased \$2.2 billion to \$240.0 billion, reflecting an increase in portfolio investment income, mostly interest on long-term debt securities, that was partly offset by a decrease in direct investment income, mainly earnings.

Secondary income

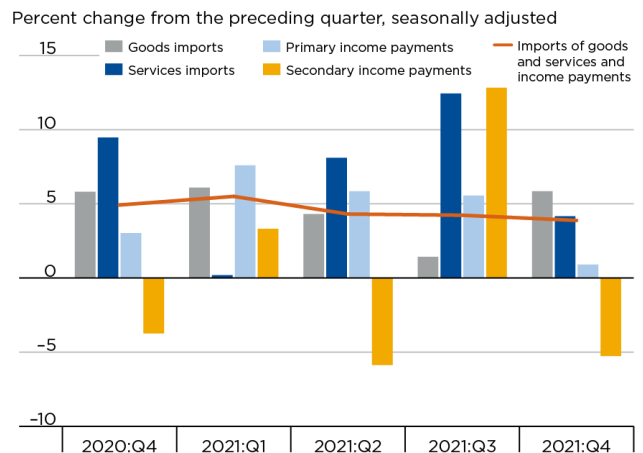
Receipts of secondary income increased \$1.0 billion to \$43.5 billion, mostly reflecting an increase in general government transfers, primarily fines and penalties and taxes on income and wealth. Payments of secondary income decreased \$4.3 billion to \$76.7 billion, mainly reflecting a decrease in general government transfers, primarily international cooperation.

Chart 3. Percent Change in Exports of Goods and Services and Income Receipts



U.S. Bureau of Economic Analysis

Chart 4. Percent Change in Imports of Goods and Services and Income Payments



U.S. Bureau of Economic Analysis

Table B. Exports of Goods and Services and Income Receipts

[Millions of dollars, seasonally adjusted]

Series	2021				Change 2021:III to 2021:IV
	I ^r	II ^r	III ^r	IV ^p	
Exports of goods and services and income receipts	895,916	933,830	958,119	1,005,864	47,745
Exports of goods	408,929	437,351	441,930	473,499	31,569
General merchandise	398,842	429,104	434,597	466,786	32,189
Foods, feeds, and beverages	41,766	41,544	38,114	43,791	5,677
Industrial supplies and materials	134,564	152,783	158,568	169,582	11,014
Energy products	52,043	63,495	68,669	78,595	9,926
<i>Of which: Petroleum and products</i>	40,073	51,745	53,685	61,314	7,629
Nonenergy products	82,521	89,288	89,899	90,987	1,088
Capital goods except automotive	122,395	131,881	130,933	134,574	3,641
Automotive vehicles, parts, and engines	37,175	34,637	34,144	37,647	3,503
Consumer goods except food and automotive	47,908	52,499	57,262	63,889	6,627
Other general merchandise	15,035	15,760	15,574	17,302	1,728
Net exports of goods under merchandising	253	254	277	202	-75
Nonmonetary gold	9,833	7,993	7,057	6,511	-546
Exports of services¹	181,588	191,036	193,960	204,662	10,702
Manufacturing services on physical inputs owned by others	n.a.	n.a.	n.a.	n.a.	n.a.
Maintenance and repair services n.i.e.	2,947	2,980	3,128	2,993	-135
Transport	14,342	15,905	16,609	18,188	1,579
Travel (for all purposes including education)	13,303	16,099	16,506	22,851	6,345
Business	2,477	2,865	3,135	4,388	1,253
Personal	10,826	13,234	13,371	18,462	5,091
Construction	651	650	792	705	-87
Insurance services	5,291	5,309	5,914	6,158	244
Financial services	39,435	40,461	41,861	42,331	470
Charges for the use of intellectual property n.i.e.	30,119	31,379	30,945	32,385	1,440
Telecommunications, computer, and information services	14,691	14,946	14,418	14,087	-331
Other business services	49,494	51,562	52,298	53,188	890
Personal, cultural, and recreational services	5,475	5,924	5,731	5,835	104
Government goods and services n.i.e.	5,841	5,822	5,759	5,943	184
Primary income receipts	262,893	263,965	279,724	284,207	4,483
Investment income	261,251	262,295	278,038	282,507	4,469
Direct investment income	150,847	149,691	156,949	156,422	-527
Income on equity	146,917	145,849	153,296	152,839	-457
Dividends and withdrawals	72,942	49,116	68,288	28,611	-39,677
Reinvested earnings	73,974	96,733	85,008	124,228	39,220
Interest	3,931	3,842	3,653	3,583	-70
Portfolio investment income	95,851	98,342	106,669	111,873	5,204
Income on equity and investment fund shares	62,311	64,876	71,230	74,850	3,620
Interest on debt securities	33,540	33,466	35,439	37,023	1,584
Other investment income	14,487	14,215	14,650	14,178	-472
Reserve asset income	65	47	-231	35	266
Compensation of employees	1,642	1,669	1,686	1,701	15
Secondary income (current transfer) receipts²	42,507	41,478	42,505	43,496	991

p Preliminary**r** Revised**n.a.** Not available**n.i.e.** Not included elsewhere1. See also International Services [table 2.1](#).

2. Secondary income (current transfer) receipts include U.S. government and private transfers, such as fines and penalties, withholding taxes, insurance-related transfers, and other current transfers.

Note. The statistics are presented in International Transactions Accounts [table 1.2](#), [table 2.1](#), [table 3.1](#), [table 4.1](#), and [table 5.1](#) on BEA's website.

Table C. Imports of Goods and Services and Income Payments

[Millions of dollars, seasonally adjusted]

Series	2021				Change 2021:III to 2021:IV
	I ^r	II ^r	III ^r	IV ^p	
Imports of goods and services and income payments	1,083,446	1,130,183	1,177,991	1,223,744	45,753
Imports of goods	675,950	705,098	715,100	756,945	41,845
General merchandise	669,073	698,531	709,794	749,949	40,155
Foods, feeds, and beverages	41,237	46,217	47,475	48,372	897
Industrial supplies and materials	136,164	156,697	169,230	178,671	9,441
Energy products	46,957	56,690	63,352	68,071	4,719
<i>Of which: Petroleum and products</i>	42,865	52,384	57,815	62,630	4,815
Nonenergy products	89,207	100,007	105,878	110,600	4,722
Capital goods except automotive	183,709	190,595	192,816	199,183	6,367
Automotive vehicles, parts, and engines	90,561	87,133	83,537	86,992	3,455
Consumer goods except food and automotive	189,883	189,261	185,923	202,496	16,573
Other general merchandise	27,519	28,629	30,812	34,234	3,422
Nonmonetary gold	6,877	6,568	5,307	6,996	1,689
Imports of services¹	118,634	128,243	144,183	150,186	6,003
Manufacturing services on physical inputs owned by others	n.a.	n.a.	n.a.	n.a.	n.a.
Maintenance and repair services n.i.e.	1,931	1,978	1,888	1,717	-171
Transport	19,866	24,600	28,765	31,576	2,811
Travel (for all purposes including education)	7,861	11,939	17,828	20,313	2,485
Business	1,132	1,659	2,423	2,912	489
Personal	6,729	10,280	15,404	17,401	1,997
Construction	334	304	284	340	56
Insurance services	14,059	13,934	14,718	14,947	229
Financial services	10,499	10,644	11,756	12,066	310
Charges for the use of intellectual property n.i.e.	11,782	11,000	12,530	11,537	-993
Telecommunications, computer, and information services	9,979	10,136	10,208	11,035	827
Other business services	29,682	30,591	33,158	33,349	191
Personal, cultural, and recreational services	6,416	6,800	6,722	7,014	292
Government goods and services n.i.e.	6,225	6,317	6,325	6,293	-32
Primary income payments	212,837	225,281	237,802	239,961	2,159
Investment income	208,993	221,454	233,641	235,899	2,258
Direct investment income	64,203	77,261	82,508	80,350	-2,158
Portfolio investment income	127,727	127,413	133,039	137,527	4,488
Income on equity and investment fund shares	46,463	45,731	47,212	48,333	1,121
Interest on debt securities	81,264	81,682	85,827	89,194	3,367
Other investment income	17,063	16,779	18,093	18,022	-71
Compensation of employees	3,845	3,827	4,161	4,062	-99
Secondary income (current transfer) payments²	76,025	71,560	80,906	76,652	-4,254
Supplemental detail on insurance transactions:					
Premiums paid	36,533	35,884	38,416	39,099	683
Losses recovered	25,266	25,549	29,427	25,670	-3,757

p Preliminary

r Revised

n.a. Not available

n.i.e. Not included elsewhere

1. See also International Services [table 2.1](#).

2. Secondary income (current transfer) 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.

Note. The statistics are presented in International Transactions Accounts [table 1.2](#), [table 2.1](#), [table 3.1](#), [table 4.1](#), and [table 5.1](#) on BEA's website.

Capital Account, Fourth Quarter

Capital-transfer receipts decreased \$3.8 billion to \$7 million in the fourth quarter (table A). Third-quarter transactions reflected receipts from foreign insurance companies for losses resulting from Hurricane Ida. Capital-transfer payments increased \$1.0 billion to \$1.9 billion in the fourth quarter, reflecting an increase in U.S. government investment grants.

Financial Account, Fourth Quarter

Net financial-account transactions were $-\$133.6$ billion in the fourth quarter, reflecting net U.S. borrowing from foreign residents.

Financial assets

Fourth-quarter transactions increased U.S. residents' foreign financial assets by \$113.6 billion (charts 5 and 6 and table D). Transactions increased direct investment assets, primarily equity, by \$141.0 billion; other investment assets, mostly deposits, by \$60.6 billion; and reserve assets by \$3.0 billion. Transactions decreased portfolio investment assets by \$90.9 billion, resulting from large and partly offsetting transactions in equity and debt securities.

Liabilities

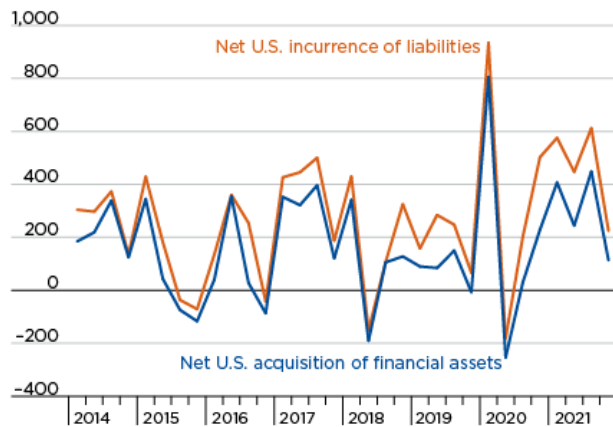
Fourth-quarter transactions increased U.S. liabilities to foreign residents by \$224.4 billion. Transactions increased other investment liabilities, mainly loans, by \$170.5 billion, and direct investment liabilities, mostly equity, by \$120.2 billion. Transactions decreased portfolio investment liabilities by \$66.4 billion, resulting from large and partly offsetting transactions in equity and debt securities.

Financial derivatives

Net transactions in financial derivatives were $-\$22.9$ billion in the fourth quarter, reflecting net U.S. borrowing from foreign residents.

Chart 5. Acquisition of Financial Assets and Incurrence of Liabilities Excluding Financial Derivatives

Billions of dollars, seasonally adjusted

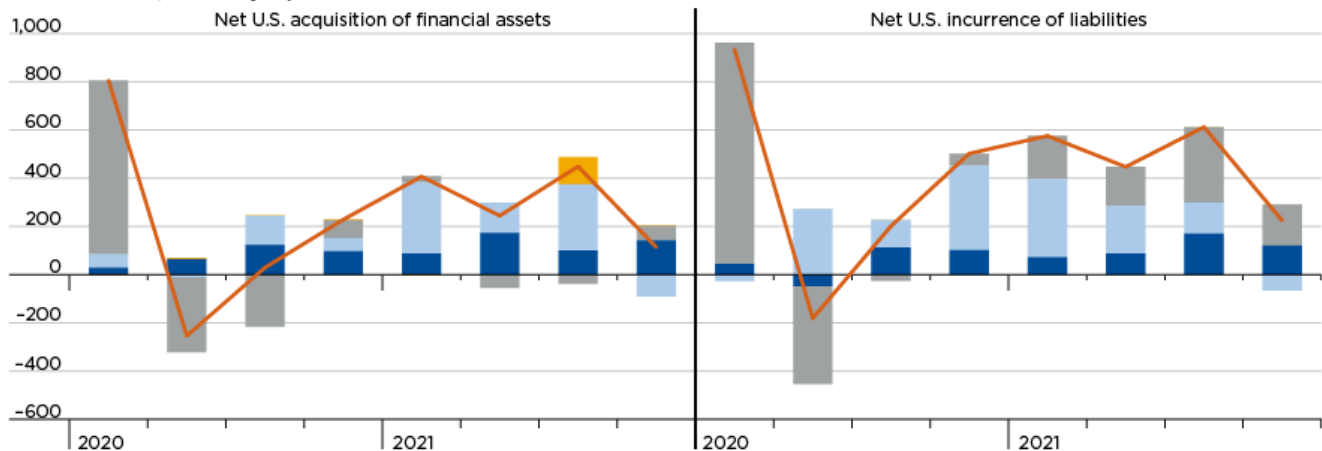


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Chart 6. Transactions in Financial Assets and Liabilities Excluding Financial Derivatives

■ Direct investment ■ Portfolio investment ■ Other investment ■ Reserve assets¹ — Total

Billions of dollars, seasonally adjusted



1. Transactions in reserve assets are relatively small and may not be clearly visible. See table D for these statistics.
U.S. Bureau of Economic Analysis

Table D. Net U.S. Acquisition of Financial Assets and Net U.S. Incurrence of Liabilities

[Millions of dollars, seasonally adjusted]

Series	2021				Change 2021:III to 2021:IV
	I ^r	II ^r	III ^r	IV ^p	
Net U.S. acquisition of financial assets excluding financial derivatives (net increase in assets / financial outflow (+))	406,909	244,195	448,596	113,623	-334,973
Direct investment assets	88,017	172,251	100,025	140,996	40,971
Equity	87,993	130,324	86,886	155,310	68,424
Equity other than reinvestment of earnings	14,019	33,591	1,878	31,082	29,204
Reinvestment of earnings	73,974	96,733	85,008	124,228	39,220
Debt instruments	24	41,927	13,139	-14,314	-27,453
Portfolio investment assets	294,204	126,195	274,682	-90,945	-365,627
Equity and investment fund shares	83,024	121,169	115,393	-165,712	-281,105
Debt securities	211,180	5,026	159,288	74,767	-84,521
Short-term securities	39,856	23,031	22,030	-41,217	-63,247
Long-term corporate securities	123,792	-14,936	104,145	83,366	-20,779
Other long-term securities	47,532	-3,069	33,113	32,618	-495
Other investment assets	26,788	-54,728	-38,714	60,559	99,273
Other equity	1,169	0	37	0	-37
Currency and deposits	-1,588	-82,679	-36,605	45,589	82,194
Loans	23,323	31,031	-1,627	13,402	15,029
Trade credit and advances	3,884	-3,081	-518	1,569	2,087
Reserve assets	-2,100	477	112,603	3,013	-109,590
Monetary gold	0	0	0	0	0
Special drawing rights	8	4	112,838	835	-112,003
Reserve position in the International Monetary Fund	-2,157	437	11	2,169	2,158
Other reserve assets	50	36	-247	9	256
Net U.S. incurrence of liabilities excluding financial derivatives (net increase in liabilities / financial inflow (+))	575,402	446,846	612,132	224,377	-387,755
Direct investment liabilities	71,560	87,537	170,282	120,229	-50,053
Equity	73,195	88,901	119,716	110,944	-8,772
Equity other than reinvestment of earnings	30,740	36,088	61,564	49,614	-11,950
Reinvestment of earnings	42,455	52,813	58,152	61,330	3,178
Debt instruments	-1,635	-1,364	50,566	9,285	-41,281
Portfolio investment liabilities	323,752	198,105	127,777	-66,394	-194,171
Equity and investment fund shares	96,969	67,936	131,827	-305,215	-437,042
Debt securities	226,783	130,169	-4,050	238,821	242,871
Short term	-44,402	-39,330	7,434	50,210	42,776
Treasury bills and certificates	-60,815	-52,145	-2,765	59,028	61,793
Federally sponsored agency securities	-3,419	-1,352	954	309	-645
Other short-term securities	19,832	14,167	9,245	-9,127	-18,372
Long term	271,186	169,499	-11,485	188,611	200,096
Treasury bonds and notes	223,025	158,132	79,256	140,349	61,093
Federally sponsored agency securities	-24,416	-12,749	-24,384	16,906	41,290
Corporate bonds and notes	70,063	20,678	-65,693	30,700	96,393
Other	2,514	3,438	-664	656	1,320
Other investment liabilities	180,090	161,204	314,073	170,543	-143,530
Other equity	n.a.	n.a.	n.a.	n.a.	n.a.
Currency	10,092	12,650	7,321	18,284	10,963
Deposits	83,801	45,406	166,392	-30,756	-197,148
Loans	81,318	100,168	25,189	173,885	148,696
Trade credit and advances	4,878	2,980	2,336	9,129	6,793
Special drawing rights allocations	0	0	112,834	0	-112,834

p Preliminary

r Revised

Note. The statistics are presented in International Transactions Accounts [table 1.2](#), [table 2.1](#), [table 3.1](#), [table 4.1](#), and [table 5.1](#) on BEA's website.

Updates to Statistics

The U.S. international transactions statistics for the third quarter have been updated to incorporate newly available and revised source data (table E). In addition, the statistics for the first three quarters of 2021 have been updated to align the seasonally adjusted statistics with annual totals.

Table E. Updates to the Third-Quarter 2021 International Transactions Aggregates

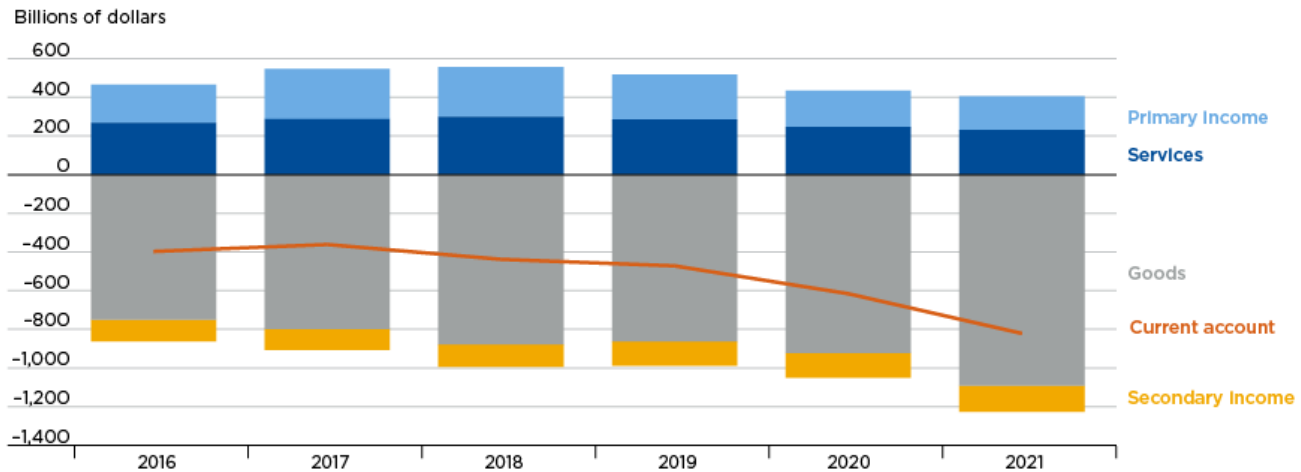
[Millions of dollars, seasonally adjusted]

Series	Preliminary Estimates	Revised Estimates
Balance on current account	-214,774	-219,872
Balance on goods	-274,827	-273,170
Balance on services	49,863	49,778
Balance on primary income	48,162	41,922
Balance on secondary income (current transfers)	-37,972	-38,401
Net lending or borrowing from financial-account transactions	-127,213	-171,516
Net U.S. acquisition of financial assets	494,066	448,596
Net U.S. incurrence of liabilities	613,299	612,132
Financial derivatives other than reserves, net transactions	-7,980	-7,980

Current Account, Year 2021

The \$205.5 billion widening of the current-account deficit in 2021 primarily reflected an expanded deficit on goods (chart 7).

Chart 7. Annual U.S. Current-Account Balance and Its Components



U.S. Bureau of Economic Analysis

Exports of goods and services to, and income received from, foreign residents increased \$535.1 billion to \$3.79 trillion in 2021. Imports of goods and services from, and income paid to, foreign residents increased \$740.6 billion to \$4.62 trillion (charts 8 and 9 and table F).

Trade in goods

Exports of goods increased \$332.9 billion to \$1.76 trillion, and imports of goods increased \$502.3 billion to \$2.85 trillion. The increases in both exports and imports reflected increases in all major categories, led by industrial supplies and materials, mainly petroleum and products.

Trade in services

Exports of services increased \$65.6 billion to \$771.2 billion, mainly reflecting increases in other business services, mostly professional and management consulting services, in financial services, mostly financial management services and credit card and other credit-related services, and in charges for the use of intellectual property, mostly licenses for the use of outcomes of research and development. Imports of services increased \$80.9 billion to \$541.2 billion, mainly reflecting increases in transport, mostly sea freight transport, and in travel, mostly other personal travel.

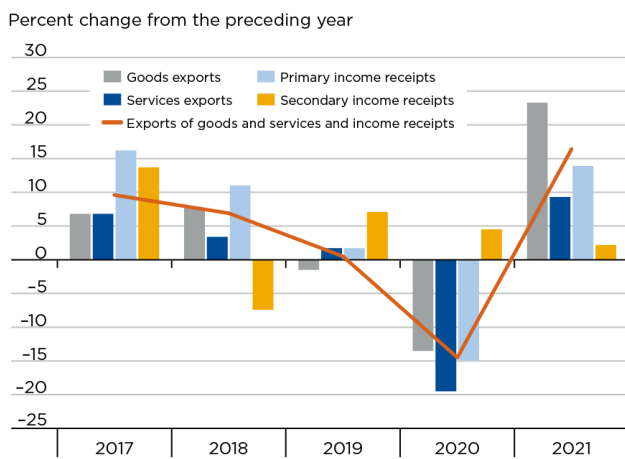
Primary income

Receipts of primary income increased \$132.9 billion to \$1.09 trillion, and payments of primary income increased \$146.5 billion to \$915.9 billion. The increases in both receipts and payments mostly reflected an increase in direct investment income, primarily earnings.

Secondary income

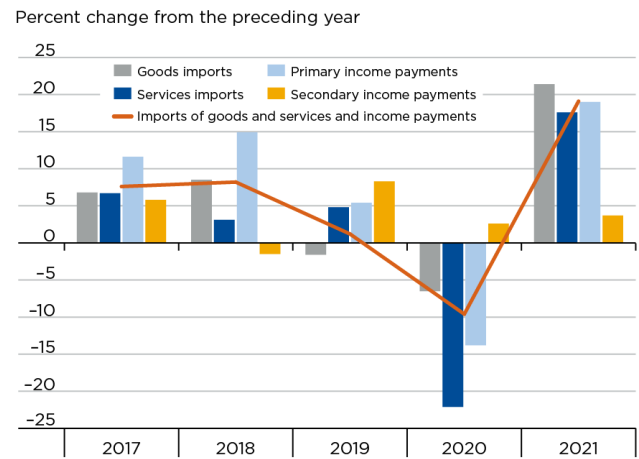
Receipts of secondary income increased \$3.6 billion to \$170.0 billion, reflecting an increase in general government transfers, mostly taxes on income. Payments of secondary income increased \$10.9 billion to \$305.1 billion, reflecting increases in general government transfers, primarily international cooperation, and in private transfers, led by insurance-related transfers.

Chart 8. Annual Percent Change in Exports of Goods and Services and Income Receipts



U.S. Bureau of Economic Analysis

Chart 9. Annual Percent Change in Imports of Goods and Services and Income Payments



U.S. Bureau of Economic Analysis

Table F. Current Account
[Millions of dollars]

Series	2018	2019	2020	2021 ^D	Change 2020 to 2021
Current account					
Exports of goods and services and income receipts (credits)	3,793,642	3,812,458	3,258,642	3,793,730	535,088
Exports of goods	1,676,913	1,652,072	1,428,798	1,761,709	332,911
Foods, feeds, and beverages	133,144	130,993	139,335	165,216	25,881
Industrial supplies and materials	536,866	526,410	450,372	615,497	165,125
Capital goods except automotive	563,438	547,954	460,493	519,783	59,290
Automotive vehicles, parts, and engines	158,833	162,752	127,918	143,603	15,685
Consumer goods except food and automotive	205,513	204,976	173,974	221,557	47,583
Other general merchandise	56,835	59,146	51,693	63,671	11,978
Net exports of goods under merchandising	338	491	984	986	2
Nonmonetary gold	21,947	19,351	24,030	31,395	7,365
Exports of services	861,725	876,295	705,643	771,247	65,604
Manufacturing services on physical inputs owned by others	n.a.	n.a.	n.a.	n.a.	n.a.
Maintenance and repair services n.i.e.	28,036	27,698	13,278	12,048	-1,230
Transport	93,107	91,017	56,706	65,044	8,338
Travel (for all purposes including education)	200,724	199,364	72,813	68,759	-4,054
Construction	2,842	3,127	2,349	2,797	448
Insurance services	19,118	18,528	20,431	22,672	2,241
Financial services	132,448	136,046	144,343	164,088	19,745
Charges for the use of intellectual property n.i.e.	114,819	115,529	113,779	124,827	11,048
Telecommunications, computer, and information services	49,245	54,766	56,682	58,142	1,460
Other business services	176,540	185,573	183,180	206,542	23,362
Personal, cultural, and recreational services	22,715	22,193	20,442	22,965	2,523
Government goods and services n.i.e.	22,131	22,453	21,642	23,364	1,722
Primary income receipts	1,106,417	1,124,929	957,857	1,090,789	132,932
Direct investment income	585,260	569,102	495,722	613,910	118,188
Portfolio investment income	412,496	424,433	383,260	412,735	29,475
Other investment income	101,088	123,357	72,123	57,530	-14,593
Reserve asset income	632	873	255	-84	-339
Compensation of employees	6,941	7,163	6,497	6,698	201
Secondary income (current transfer) receipts	148,587	159,162	166,344	169,986	3,642
Imports of goods and services and income payments (debits)	4,231,878	4,284,604	3,874,737	4,615,364	740,627
Imports of goods	2,555,662	2,513,587	2,350,825	2,853,093	502,268
Foods, feeds, and beverages	148,257	151,559	155,449	183,301	27,852
Industrial supplies and materials	580,206	525,562	430,058	640,761	210,703
Capital goods except automotive	694,229	679,126	648,503	766,303	117,800
Automotive vehicles, parts, and engines	372,009	376,016	311,305	348,223	36,918
Consumer goods except food and automotive	647,659	655,517	641,055	767,563	126,508
Other general merchandise	102,104	113,855	102,790	121,194	18,404
Nonmonetary gold	11,197	11,952	61,665	25,747	-35,918
Imports of services	563,926	591,121	460,301	541,245	80,944
Manufacturing services on physical inputs owned by others	n.a.	n.a.	n.a.	n.a.	n.a.
Maintenance and repair services n.i.e.	7,354	8,866	6,090	7,514	1,424
Transport	110,441	112,798	72,411	104,806	32,395
Travel (for all purposes including education)	126,139	133,285	35,808	57,940	22,132
Construction	3,077	1,377	1,131	1,262	131
Insurance services	43,797	51,632	55,617	57,658	2,041
Financial services	39,445	41,210	42,256	44,966	2,710
Charges for the use of intellectual property n.i.e.	42,736	41,730	42,984	46,849	3,865
Telecommunications, computer, and information services	41,701	42,961	38,594	41,358	2,764

Series	2018	2019	2020	2021 ^p	Change 2020 to 2021
Other business services	107,435	112,776	117,673	126,780	9,107
Personal, cultural, and recreational services	18,825	20,486	23,185	26,952	3,767
Government goods and services n.i.e.	22,975	24,000	24,553	25,160	607
Primary income payments	847,286	893,009	769,397	915,881	146,484
Direct investment income	235,306	232,877	179,196	304,322	125,126
Portfolio investment income	488,208	506,767	489,189	525,707	36,518
Other investment income	106,548	134,460	86,582	69,957	-16,625
Compensation of employees	17,223	18,904	14,429	15,895	1,466
Secondary income (current transfer) payments	265,004	286,887	294,215	305,144	10,929
Balances					0
Balance on current account	-438,236	-472,146	-616,095	-821,634	-205,539
Balance on goods	-878,749	-861,515	-922,026	-1,091,384	-169,358
Balance on services	297,799	285,174	245,342	230,001	-15,341
Balance on primary income	259,131	231,920	188,460	174,907	-13,553
Balance on secondary income	-116,417	-127,725	-127,871	-135,158	-7,287

p Preliminary

n.a. Not available

n.i.e. Not included elsewhere

Note. The statistics are presented in [table 1.2](#) on BEA's website.

Financial-Account Transactions, Year 2021

Net financial-account transactions were -\$687.1 billion in 2021, reflecting net U.S. borrowing from foreign residents (table G).

Financial assets

Transactions in 2021 increased U.S. residents' foreign financial assets by \$1.21 trillion. Transactions increased portfolio investment assets, mostly long-term debt securities, by \$604.1 billion; direct investment assets, mostly equity, by \$501.3 billion; and reserve assets, primarily special drawing rights (SDRs), by \$114.0 billion. Transactions decreased other investment assets by \$6.1 billion, resulting from large and mostly offsetting transactions in deposits and loans. The increase in SDRs reflects the U.S. share of the \$650 billion SDR allocation that was approved by the Board of Governors of the International Monetary Fund (IMF) in the third quarter. The SDR is an international reserve asset created by the IMF to supplement its member countries' official reserves; it can be exchanged between members for currencies, such as the U.S. dollar, the euro, or the yen.

Liabilities

Transactions in 2021 increased U.S. liabilities to foreign residents by \$1.86 trillion. Transactions increased other investment liabilities, mostly loans and deposits, by \$825.9 billion; portfolio investment liabilities, mainly long-term debt securities, by \$583.2 billion; and direct investment liabilities, mostly equity, by \$449.6 billion.

Financial derivatives

Net transactions in financial derivatives were -\$41.7 billion in 2021, reflecting net U.S. borrowing from foreign residents.

Table G. Capital and Financial Accounts and Statistical Discrepancy

[Millions of dollars]

Series	2018	2019	2020	2021 ^P	Change 2020 to 2021
Capital account					
Capital transfer receipts and other credits	3,281	72	371	3,850	3,479
Capital transfer payments and other debits	7,541	6,515	5,859	6,296	437
Financial account					
Net U.S. acquisition of financial assets excluding financial derivatives (net increase in assets / financial outflow (+))	383,815	317,017	809,323	1,213,323	404,000
Direct investment assets	-130,015	122,191	311,692	501,289	189,597
Equity	-218,628	156,684	330,871	460,513	129,642
Equity other than reinvestment of earnings	75,309	17,667	134,796	80,570	-54,226
Reinvestment of earnings	-293,937	139,017	196,076	379,943	183,867
Debt instruments	88,613	-34,494	-19,180	40,776	59,956
Portfolio investment assets	335,263	-13,479	220,026	604,136	384,110
Equity and investment fund shares	171,300	-163,363	241,787	153,875	-87,912
Debt securities	163,962	149,885	-21,762	450,261	472,023
Short term	14,298	135,578	-53,805	43,701	97,506
Long term	149,665	14,307	32,043	406,560	374,517
Other investment assets	173,578	203,647	268,632	-6,095	-274,727
Currency and deposits	106,125	132,391	92,893	-75,284	-168,177
Loans	64,945	68,722	182,202	66,129	-116,073

Series	2018	2019	2020	2021 ^p	Change 2020 to 2021
Trade credit and advances	1,179	1,166	-8,311	1,854	10,165
Reserve assets	4,989	4,659	8,974	113,993	105,019
Monetary gold	0	0	0	0	0
Special drawing rights	156	237	81	113,685	113,604
Reserve position in the International Monetary Fund	4,824	4,271	8,814	460	-8,354
Other reserve assets	10	150	78	-153	-231
Net U.S. incurrence of liabilities excluding financial derivatives (net increase in liabilities / financial inflow (+))	711,777	755,724	1,456,528	1,858,757	402,229
Direct investment liabilities	214,315	302,200	211,298	449,608	238,310
Equity	318,545	262,483	198,291	392,755	194,464
Equity other than reinvestment of earnings	200,122	137,758	115,798	178,006	62,208
Reinvestment of earnings	118,423	124,725	82,493	214,750	132,257
Debt instruments	-104,230	39,717	13,007	56,853	43,846
Portfolio investment liabilities	303,075	177,157	710,151	583,239	-126,912
Equity and investment fund shares	156,916	-244,098	648,399	-8,483	-656,882
Debt securities	146,159	421,255	61,752	591,722	529,970
Short term	30,353	-33,144	272,452	-26,088	-298,540
Long term	115,806	454,399	-210,700	617,811	828,511
Other investment liabilities	194,387	276,368	535,079	825,909	290,830
Currency and deposits	12,656	204,250	323,595	313,191	-10,404
Loans	165,787	62,052	198,920	380,561	181,641
Trade credit and advances	15,943	10,066	12,564	19,324	6,760
Special drawing rights allocations	0	0	0	112,834	112,834
Financial derivatives other than reserves, net transactions	-20,404	-41,670	-5,780	-41,669	-35,889
Statistical discrepancy					
Statistical discrepancy¹	94,131	-1,788	-31,403	136,977	168,380
Balances					
Balance on capital account	-4,261	-6,443	-5,487	-2,446	3,041
Net lending (+) or net borrowing (-) from current- and capital-account transactions²	-442,497	-478,589	-621,582	-824,080	-202,498
Net lending (+) or net borrowing (-) from financial-account transactions³	-348,366	-480,377	-652,985	-687,103	-34,118

p Preliminary
r Revised
n.a. Not available

1. 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.

2. Sum of current-account balance (table F) and capital-account balance.

Note. The statistics are presented in [table 1.2](#) and [table 6.1](#) on BEA's website.

Upcoming Update to the U.S. International Transactions Accounts

The annual update of the U.S. International Transactions Accounts (ITAs) will be released along with preliminary estimates for the first quarter of 2022 on June 23, 2022. With this annual update, the U.S. Bureau of Economic Analysis (BEA) will introduce several new standard ITA tables as well as modify several existing standard table presentations. To prepare data users for these changes, BEA has provided prototype tables in BEA's [Interactive Data Application](#). For more information, see "[Preview of the 2022 Annual Update of the International Economic Accounts](#)" in this issue.



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