An Ownership-Based Framework of the U.S. Current Account, 2001–2012

This report updates the supplemental ownership-based framework of the current account of the U.S. international transactions accounts prepared by the Bureau of Economic Analysis (BEA). The supplemental presentation includes the same major elements as the standard current-account presentation—trade in goods and services and receipts and payments of income on foreign investment. As in the standard presentation, transactions are defined as international when they occur between a U.S. resident and a nonresident, and the residency of an affiliate of a multinational company depends on the country of its location and not on the country of its owner. However, the ownership-based framework adds several features that highlight the important role that multinational companies play in international transactions. First, it recognizes that direct investment income results from the multinational company's active role in producing goods and services, and it renames this income as "net receipts or payments of direct investment income resulting from sales by affiliates." This distinguishes it from the other, more passive types of investment income included in the current account, such as dividends and interest on foreign stocks and bonds. Second, it shows that these receipts and payments are the result of substantial sales of goods and services and purchases of labor and other inputs. Finally, it disaggregates trade in goods and services to show trade with affiliated foreigners separately from trade with unaffiliated foreigners.

This report includes new summary statistics of the major current-account aggregates for 2012, revised and more detailed statistics for 2011, and revised statistics for earlier years.[1] A technical note that presents information on the conceptual basis of the ownership-based framework is available at www.bea.gov/international/supplemental_statistics.htm.[2]

The following are highlights of the updated statistics:

- Net receipts of direct investment income by U.S. parents, defined as sales by their foreign affiliates net of costs and profits accruing to foreigners, were $470.2 billion in 2012, down slightly from $478.8 billion in 2011 (table 1). Net payments of direct investment income to foreign parents, defined as sales by their U.S. affiliates net of costs and profits accruing to U.S. persons, were $176.7 billion in 2012, up slightly from $168.2 billion in 2011.
- In 2011 (the latest year for which detailed statistics are available), the net receipts of $478.8 billion resulted from sales of $6,951.7 billion less deductions of $6,472.9 billion for labor, capital purchased inputs, and profits accruing to foreign persons. The net payments to foreign parents of $168.2 billion resulted from sales of $3,796.9 billion less deductions of $3,628.7 billion.
- In 2012, U.S. receipts from exports of goods and services and net income receipts of U.S. parents from sales by foreign affiliates were $2,680.8 billion, which consisted of exports of goods and services of $2,210.6 billion and net income receipts of U.S. parents from sales by their foreign affiliates of $470.2 billion. U.S. payments from imports of goods and services and net income payments to foreign parents resulting from sales by U.S. affiliates were $2,922.0 billion, which consisted of imports of goods and services of $2,745.2 billion and net income payments to foreign parents from sales by their U.S. affiliates of $176.7 billion.
- In 2012, the resulting deficit on goods, services, and

1. The statistics for 1982–2012 are available on BEA's Web site at www.bea.gov. Under "International" and "Supplemental Statistics," click on "Ownership-based current account and other supplemental statistics" and then on "Ownership-Based Framework of the U.S. Current Account, 1982–2012 (XLS)"; for details about data sources for the statistics, see the "Data Sources" tabs of the Excel spreadsheet.

2. For additional information on the sources and methods used to prepare the supplemental estimates, see Obie G. Whichard and Jeffrey H. Lowe, "An Ownership-Based Disaggregation of the U.S. Current Account, 1982–93," Survey of Current Business 75 (October 1995): 52–61. For a general review of the issues relating to ownership relationships in international transactions, see J. Steven Landefeld, Obie G. Whichard, and Jeffrey H. Lowe, "Alternative Frameworks for U.S. International Transactions," Survey 73 (December 1993): 50–61.

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net receipts from sales by affiliates (line 41) was $241.2 billion. This deficit was $293.5 billion less than the $534.7 billion deficit on trade in goods and services in the conventional framework of the international transactions accounts. The deficit in the ownership-based framework was smaller than the deficit in the conventional framework because the receipts of income by U.S. parents from sales by their foreign affiliates were larger than payments of income to foreign parents from sales by their U.S. affiliates.

- The $241.2 billion deficit on goods, services, and net receipts from sales by affiliates in 2012 was $5.1 billion less than the deficit in 2011. The 2012 decrease stemmed from a decrease of $22.2 billion in the deficit on trade in goods and services (the result of a decrease of $2.7 billion in the deficit on trade in goods and an increase of $19.5 billion in the surplus on trade in services), which was largely offset by a decrease of $17.1 billion in the surplus on net receipts from sales by affiliates.
- The updated statistics incorporate the results of the 2013 annual revision of the U.S. international transactions accounts that featured newly available and revised source data and improved estimation methodologies.[3] Many of these changes are part of an ongoing multiyear effort to modernize, enhance, and restructure the international transactions accounts and to align them more closely with international standards.[4] The current-account statistics on exports and imports of goods and services, income receipts and payments, and net unilateral current transfers were revised for 1999–2012. In addition, the statistics incorporate the preliminary results from the 2011 annual surveys of U.S. direct investment abroad and foreign direct investment in the United States and the final results of the 2010 annual surveys of U.S. direct investment abroad and foreign direct investment in the United States.[5]

3. For more information, see Barbara H. Berman and Jeffrey R. Bogen, "Annual Revision of the U.S. International Transactions Accounts," SURVEY 93 (July 2013): 43–54.

4. For the most recent update, see Kristy L. Howell and Kyle L. Westmoreland, "Modernizing and Enhancing BEA's International Economic Accounts: A Progress Report and Plans for Implementation," SURVEY 93 (May 2013): 44–52.

5. For more information on the foreign direct investment in the United States annual survey results, see Thomas Anderson, "U.S. Affiliates of Foreign Companies: Operations in 2011," SURVEY 93 (August 2013) 82–87. For more information on the U.S. direct investment abroad annual survey results, see Kevin B. Barefoot, "U.S. Multinational Companies: Operations of U.S. Parents and Foreign Affiliates in 2011," SURVEY 93 (November 2013) 37–47.

Table 1. Ownership-Based Framework of the U.S. Current Account, 2001–2012—Continues

[Billions of dollars]

Line		2001	2002	2003	2004	2005	2006
1	**Exports of goods and services and income receipts (line 2 plus line 16, and international transactions accounts (ITAs) table 1, line 1)**	**1,300.2**	**1,263.6**	**1,346.3**	**1,579.5**	**1,825.6**	**2,145.5**
2	**Receipts resulting from exports of goods and services and sales by foreign affiliates (line 3 plus line 8)**	**1,136.4**	**1,126.5**	**1,209.9**	**1,414.3**	**1,582.8**	**1,785.6**
3	**Exports of goods and services, total (ITA table 1, line 2)**	**1,007.7**	**980.9**	**1,023.9**	**1,163.7**	**1,288.3**	**1,460.8**
3a	Goods, balance of payments basis (ITA table 1, line 3)	731.2	697.4	729.8	822.0	911.7	1,039.4
3b	Services (ITA table 1, line 4)	276.5	283.4	293.7	341.7	376.6	421.4
4	To unaffiliated foreigners	705.4	688.0	713.4	823.4	918.0	1,058.6
4a	Goods [1]	495.1	477.8	497.8	571.3	637.9	746.3
4b	Services	210.3	210.1	215.2	252.2	280.1	312.3
5	To affiliated foreigners	302.3	292.9	310.5	340.3	370.3	402.2
5a	Goods [1]	236.1	219.6	232.0	250.7	273.8	293.1
5b	Services	66.2	73.3	78.5	89.5	96.5	109.1
6	To foreign affiliates of US parents	221.7	204.9	215.3	238.9	264.7	286.1
6a	Goods [1]	170.2	150.6	156.6	170.6	188.8	200.2
6b	Services	51.5	54.3	58.6	68.2	75.9	85.8
7	To foreign parent groups of US affiliates	80.6	88.0	95.2	101.4	105.6	116.1
7a	Goods [1]	65.9	69.0	75.3	80.1	85.1	92.8
7b	Services	14.7	19.0	19.9	21.3	20.6	23.3
8	**Net receipts by US parents of direct investment income resulting from sales by their foreign affiliates (ITA table 1, line 14)**	**128.7**	**145.6**	**186.4**	**250.6**	**294.5**	**324.8**
9	Sales by foreign affiliates [2]	2,945.9	2,945.7	3,319.5	3,841.4	4,362.2	4,793.3
10	*Less*: Foreign affiliates' purchases of goods and services directly from the United States [3]	249.5	232.8	242.6	264.0	293.1	323.4
11	*Less*: Costs and profits accruing to foreign persons	2,055.2	2,038.7	2,246.3	2,548.2	2,837.3	3,098.8
12	Compensation of employees of foreign affiliates	309.7	311.4	338.1	378.6	405.0	436.1
13	Other	1,745.6	1,727.3	1,908.2	2,169.6	2,432.3	2,662.7
14	*Less*: Sales by foreign affiliates to other foreign affiliates of the same parent	514.8	530.0	646.4	780.0	937.5	1,040.0
15	*Plus*: Bank affiliates (net receipts)	2.3	1.3	2.3	1.3	0.2	–6.4
16	**Other income receipts**	**163.8**	**137.1**	**136.0**	**165.2**	**242.8**	**359.9**
17	Other private receipts on US-owned assets abroad (ITA table 1, line 15)	155.7	129.2	126.5	157.3	235.1	352.1
18	US government receipts (ITA table 1, line 16)	3.6	3.3	4.8	3.1	2.9	2.7
19	Compensation of employees (ITA table 1, line 17)	4.5	4.6	4.7	4.7	4.8	5.1
20	**Imports of goods and services and income payments (line 21 plus line 35, and ITA table 1, line 18)**	**1,632.8**	**1,656.6**	**1,794.1**	**2,120.3**	**2,465.9**	**2,854.5**
21	**Payments resulting from imports of goods and services and sales by US affiliates (line 22 plus line 27)**	**1,382.3**	**1,441.6**	**1,588.3**	**1,868.3**	**2,117.4**	**2,363.9**
22	**Imports of goods and services, total (ITA table 1, line 19)**	**1,370.1**	**1,399.0**	**1,514.5**	**1,768.6**	**1,996.2**	**2,213.2**
22a	Goods, balance of payments basis (ITA table 1, line 20)	1,153.7	1,173.3	1,272.1	1,488.3	1,695.8	1,878.2
22b	Services (ITA table 1, line 21)	216.4	225.8	242.4	280.3	300.4	335.0
23	From unaffiliated foreigners	880.6	894.7	975.4	1,166.3	1,323.1	1,486.2
23a	Goods [1]	705.1	713.5	779.7	936.8	1,080.8	1,219.1
23b	Services	175.5	181.2	195.8	229.6	242.2	267.0
24	From affiliated foreigners	489.5	504.3	539.1	602.3	673.1	727.0
24a	Goods [1]	448.6	459.8	492.4	551.5	615.0	659.1
24b	Services	40.9	44.6	46.6	50.7	58.2	68.0
25	From foreign affiliates of US parents	201.3	202.0	214.1	241.8	270.7	286.1
25a	Goods [1]	182.2	182.0	192.6	218.8	245.0	249.6
25b	Services	19.1	19.9	21.5	23.0	25.7	36.5
26	From foreign parent groups of US affiliates	288.3	302.4	324.9	360.4	402.4	440.9
26a	Goods [1]	266.5	277.7	299.8	332.7	370.0	409.5
26b	Services	21.8	24.7	25.2	27.7	32.4	31.5
27	**Net payments to foreign parents of direct investment income resulting from sales by their US affiliates (ITA table 1, line 31)**	**12.8**	**43.2**	**73.8**	**99.8**	**121.3**	**150.8**
28	Sales by US affiliates [2]	2,327.1	2,216.5	2,323.2	2,526.3	2,792.5	3,114.5
29	*Less*: US affiliates' purchases of goods and services directly from abroad [4]	369.6	372.8	393.3	437.5	495.0	546.0
30	*Less*: Costs and profits accruing to US persons	1,946.7	1,802.1	1,858.2	1,993.8	2,180.5	2,425.3
31	Compensation of employees of US affiliates	344.7	341.9	342.7	351.9	365.5	395.9
32	Other	1,601.9	1,460.2	1,515.5	1,641.9	1,815.0	2,029.4
33	*Less*: Sales by US affiliates to other US affiliates of the same parent [5]	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
34	*Plus*: Bank affiliates (net payments)	2.0	1.6	2.2	4.7	4.4	7.5
35	**Other income payments**	**249.9**	**214.3**	**205.9**	**251.9**	**348.4**	**490.6**
36	Other private payments on foreign-owned assets in the United States (ITA table 1, line 32)	159.8	127.0	119.1	155.3	228.4	338.9
37	US government payments (ITA table 1, line 33)	78.4	74.9	73.9	82.7	104.1	135.2
38	Compensation of employees (ITA table 1, line 34)	11.7	12.4	12.9	14.0	15.9	16.4
39	**Unilateral current transfers, net (ITA table 1, line 35)**	**–64.1**	**–64.8**	**–70.9**	**–88.6**	**–99.5**	**–89.4**
	Memoranda:						
40	Balance on goods and services (line 3 minus line 22, and ITA table 1, line 74)	–362.3	–418.2	–490.5	–604.9	–707.9	–752.4
41	Balance on goods, services, and net receipts from sales by affiliates (line 2 minus line 21)	–245.9	–315.1	–378.4	–454.0	–534.6	–578.3
42	Balance on current account (line 1 minus line 20 plus line 39, and ITA table 1, line 77)	–396.7	–457.8	–518.7	–629.3	–739.8	–798.5
	Addenda:						
	Source of the content of foreign affiliates' sales and change in inventories: [2]						
43	Sales to nonaffiliates and change in inventories, total (line 9 minus line14 plus the change in inventories)	2,424.0	2,425.9	2,692.3	3,092.4	3,544.0	3,722.6
44	Foreign content	2,174.5	2,193.1	2,449.7	2,828.5	3,250.9	3,399.2
45	Value added by foreign affiliates of US parents	683.4	704.5	808.4	948.9	1,050.0	1,151.1
46	Other foreign content [6]	1,491.1	1,488.6	1,641.3	1,879.6	2,200.9	2,248.1
47	US content	249.5	232.8	242.6	264.0	293.1	323.4
	Source of the content of US affiliates' sales and change in inventories: [2, 7]						
48	Sales to nonaffiliates and change in inventories, total (line 28 minus line 33 plus the change in inventories)	2,318.9	2,214.5	2,326.1	2,543.4	2,814.6	3,138.3
49	US content	1,949.3	1,841.7	1,932.7	2,105.9	2,319.5	2,592.3
50	Value added by US affiliates of foreign parents	477.0	502.7	519.9	563.5	611.5	679.7
51	Other US content [8]	1,472.3	1,339.0	1,412.8	1,542.4	1,708.0	1,912.6
52	Foreign content	369.6	372.8	393.3	437.5	495.0	546.0

See the footnotes at the end of the table.

Table 1. Ownership-Based Framework of the U.S. Current Account, 2001–2012—Table Ends

[Billions of dollars]

Line		2007	2008	2009	2010	2011	2012 [9]
1	**Exports of goods and services and income receipts (line 2 plus line 16, and international transactions accounts (ITAs) table 1, line 1)**	**2,486.8**	**2,654.4**	**2,184.8**	**2,522.5**	**2,873.7**	**2,986.9**
2	**Receipts resulting from exports of goods and services and sales by foreign affiliates (line 3 plus line 8)**	**2,023.6**	**2,254.1**	**1,940.7**	**2,285.4**	**2,591.6**	**2,680.8**
3	**Exports of goods and services, total (ITA table 1, line 2)**	**1,652.9**	**1,840.3**	**1,578.2**	**1,844.5**	**2,112.8**	**2,210.6**
3a	Goods, balance of payments basis (ITA table 1, line 3)	1,163.6	1,307.3	1,069.5	1,288.8	1,495.9	1,561.2
3b	Services (ITA table 1, line 4)	489.3	533.0	508.7	555.7	617.0	649.3
4	To unaffiliated foreigners	1,192.3	1,351.7	1,115.5	1,334.2	1,536.5	.....
4a	Goods [1]	835.6	959.8	747.7	930.1	1,089.9	.....
4b	Services	356.7	391.9	367.9	404.1	446.6	.....
5	To affiliated foreigners	460.5	488.6	462.6	510.3	576.3	.....
5a	Goods [1]	328.0	347.5	321.8	358.7	406.0	.....
5b	Services	132.6	141.1	140.8	151.5	170.3	.....
6	To foreign affiliates of US parents	321.2	339.9	318.0	353.0	403.6	.....
6a	Goods [1]	214.1	227.6	207.5	232.8	266.7	.....
6b	Services	107.2	112.3	110.5	120.2	136.9	.....
7	To foreign parent groups of US affiliates	139.3	148.7	144.7	157.3	172.7	.....
7a	Goods [1]	113.9	119.9	114.3	126.0	139.3	.....
7b	Services	25.4	28.8	30.3	31.3	33.4	.....
8	**Net receipts by US parents of direct investment income resulting from sales by their foreign affiliates (ITA table 1, line 14)**	**370.8**	**413.7**	**362.5**	**440.9**	**478.8**	**470.2**
9	Sales by foreign affiliates [2]	5,785.1	6,513.2	5,640.4	6,066.7	6,951.7	.....
10	*Less*: Foreign affiliates' purchases of goods and services directly from the United States [3]	363.4	380.2	340.6	379.7	424.1	.....
11	*Less*: Costs and profits accruing to foreign persons	3,752.5	4,285.4	3,706.0	3,952.4	4,516.8	.....
12	Compensation of employees of foreign affiliates	505.7	535.9	547.9	559.1	598.4	.....
13	Other	3,246.8	3,749.5	3,158.2	3,393.3	3,918.3	.....
14	*Less*: Sales by foreign affiliates to other foreign affiliates of the same parent	1,298.5	1,433.9	1,231.2	1,293.7	1,532.0	.....
15	*Plus*: Bank affiliates (net receipts)	.....	.....	.....	.....	.....	.....
16	**Other income receipts**	**463.2**	**400.3**	**244.1**	**237.1**	**282.0**	**306.1**
17	Other private receipts on US-owned assets abroad (ITA table 1, line 15)	455.4	389.9	233.5	229.7	274.0	297.9
18	US government receipts (ITA table 1, line 16)	2.5	5.1	4.8	1.5	1.9	2.0
19	Compensation of employees (ITA table 1, line 17)	5.2	5.4	5.7	5.9	6.1	6.3
20	**Imports of goods and services and income payments (line 21 plus line 35, and ITA table 1, line 18)**	**3,085.3**	**3,210.6**	**2,444.9**	**2,844.2**	**3,197.8**	**3,297.7**
21	**Payments resulting from imports of goods and services and sales by US affiliates (line 22 plus line 27)**	**2,478.1**	**2,672.1**	**2,066.7**	**2,496.7**	**2,837.9**	**2,922.0**
22	**Imports of goods and services, total (ITA table 1, line 19)**	**2,351.9**	**2,542.6**	**1,961.8**	**2,343.8**	**2,669.7**	**2,745.2**
22a	Goods, balance of payments basis (ITA table 1, line 20)	1,986.3	2,141.3	1,580.0	1,939.0	2,240.0	2,302.7
22b	Services (ITA table 1, line 21)	365.6	401.3	381.8	404.9	429.7	442.5
23	From unaffiliated foreigners	1,569.2	1,713.6	1,229.8	1,545.6	1,777.6	.....
23a	Goods [1]	1,279.8	1,398.3	936.8	1,237.3	1,460.7	.....
23b	Services	289.4	315.3	293.0	308.2	316.9	.....
24	From affiliated foreigners	782.7	829.1	732.1	798.3	892.0	.....
24a	Goods [1]	706.5	743.0	643.2	701.6	779.3	.....
24b	Services	76.2	86.0	88.8	96.7	112.8	.....
25	From foreign affiliates of US parents	310.2	320.7	284.7	327.1	382.5	.....
25a	Goods [1]	267.4	272.6	233.6	270.7	313.0	.....
25b	Services	42.8	48.1	51.2	56.4	69.5	.....
26	From foreign parent groups of US affiliates	472.6	508.3	447.3	471.2	509.6	.....
26a	Goods [1]	439.2	470.4	409.7	431.0	466.3	.....
26b	Services	33.4	37.9	37.7	40.3	43.3	.....
27	**Net payments to foreign parents of direct investment income resulting from sales by their US affiliates (ITA table 1, line 31)**	**126.2**	**129.4**	**104.8**	**152.9**	**168.2**	**176.7**
28	Sales by US affiliates [2]	3,616.2	3,887.1	3,277.2	3,432.2	3,796.9	.....
29	*Less*: US affiliates' purchases of goods and services directly from abroad [4]	599.8	661.9	555.1	608.6	690.5	.....
30	*Less*: Costs and profits accruing to US persons	2,890.3	3,095.7	2,617.2	2,670.8	2,938.2	.....
31	Compensation of employees of US affiliates	437.6	457.2	450.6	448.9	471.2	.....
32	Other	2,452.7	2,638.6	2,166.6	2,221.8	2,467.0	.....
33	*Less*: Sales by US affiliates to other US affiliates of the same parent [5]	n.a.	n.a.	n.a.	n.a.	n.a.	.....
34	*Plus*: Bank affiliates (net payments)	.....	.....	.....	.....	.....	.....
35	**Other income payments**	**607.2**	**538.5**	**378.2**	**347.5**	**359.9**	**375.7**
36	Other private payments on foreign-owned assets in the United States (ITA table 1, line 32)	426.8	354.6	219.4	196.4	213.4	233.3
37	US government payments (ITA table 1, line 33)	164.7	166.8	144.4	137.2	132.4	127.7
38	Compensation of employees (ITA table 1, line 34)	15.7	17.1	14.4	14.0	14.2	14.6
39	**Unilateral current transfers, net (ITA table 1, line 35)**	**–114.9**	**–125.2**	**–121.6**	**–127.8**	**–133.5**	**–129.7**
	Memoranda:						
40	Balance on goods and services (line 3 minus line 22, and ITA table 1, line 74)	–699.1	–702.3	–383.7	–499.4	–556.8	–534.7
41	Balance on goods, services, and net receipts from sales by affiliates (line 2 minus line 21)	–454.5	–418.0	–126.0	–211.4	–246.3	–241.2
42	Balance on current account (line 1 minus line 20 plus line 39, and ITA table 1, line 77)	–713.4	–681.3	–381.6	–449.5	–457.7	–440.4
	Addenda:						
	Source of the content of foreign affiliates' sales and change in inventories: [2]						
43	Sales to nonaffiliates and change in inventories, total (line 9 minus line14 plus the change in inventories)	4,565.1	5,069.7	4,433.8	4,794.3	5,439.1	.....
44	Foreign content	4,201.7	4,689.5	4,093.6	4,441.3	5,035.5	.....
45	Value added by foreign affiliates of US parents	1,346.1	1,466.7	1,350.0	1,458.1	1,683.2	.....
46	Other foreign content [6]	2,855.6	3,222.7	2,743.6	2,983.2	3,352.2	.....
47	US content	363.4	380.2	340.1	353.0	403.6	.....
	Source of the content of US affiliates' sales and change in inventories: [2, 7]						
48	Sales to nonaffiliates and change in inventories, total (line 28 minus line 33 plus the change in inventories)	3,613.3	3,912.5	3,273.1	3,434.6	3,823.0	.....
49	US content	3,013.6	3,250.6	2,718.0	2,826.0	3,132.5	.....
50	Value added by US affiliates of foreign parents	736.7	714.8	665.5	727.1	796.3	.....
51	Other US content [8]	2,276.8	2,535.8	2,052.5	2,098.9	2,336.2	.....
52	Foreign content	599.8	661.9	555.1	608.6	690.5	.....

n.a. Not available

1. The sources for total U.S. exports and imports of goods are based on Census Bureau tabulations of Customs data. The sources for U.S. parent trade in goods with their foreign affiliates and U.S. affiliate trade in goods with their foreign parent groups are BEA's annual surveys of financial and operating data of U.S. parents, their foreign affiliates, and foreign-owned U.S. affiliates.

2. For 2007–2011, annual data on sales, purchases, costs, and profits for both bank and nonbank affiliates are included in the calculation for lines 9–14, lines 28–33, lines 43–47, and lines 48–52. For 2001–2006, these data for bank affiliates are unavailable.

3. In principle, purchases of services from the United States should include both purchases from the U.S. parent and purchases from unaffiliated providers. However, data on purchases from unaffiliated providers are unavailable, so for services, line 10 only includes purchases from U.S. parents.

4. In principle, purchases of services from abroad should include both purchases from the foreign parent group and purchases from unaffiliated providers. However, data on purchases from unaffiliated providers are unavailable, so for services, line 29 only includes purchases from the foreign parent groups.

5. In principle, sales by U.S. affiliates to other U.S. affiliates of the same foreign parent should be subtracted, but data on these sales are unavailable. Because U.S. affiliates are generally required to report to BEA on a fully consolidated basis, most of these sales are eliminated through consolidation, and the remaining amount is thought to be negligible.

6. Other foreign content (purchases from foreign persons by foreign affiliates) is overstated to the extent that it includes U.S. exports that are embodied in the goods and services purchased by foreign affiliates from foreign suppliers.

7. In principle, the sales exclude the affiliates sales to other affiliates of their parent. For U.S. affiliates, data on sales to other affiliates are unavailable, but these sales are thought to be negligible. (See footnote 5.)

8. Other U.S. content (purchases from U.S. persons by U.S. affiliates) is overstated to the extent that it includes U.S. imports that are embodied in goods and services purchased by U.S. affiliates from U.S. suppliers.

9. The estimates for 2012 are from the international transactions accounts, which are published quarterly. Detailed estimates for 2012 from BEA's annual surveys of U.S. direct investment abroad and foreign direct investment in the United States will not be available until the second half of 2014.