

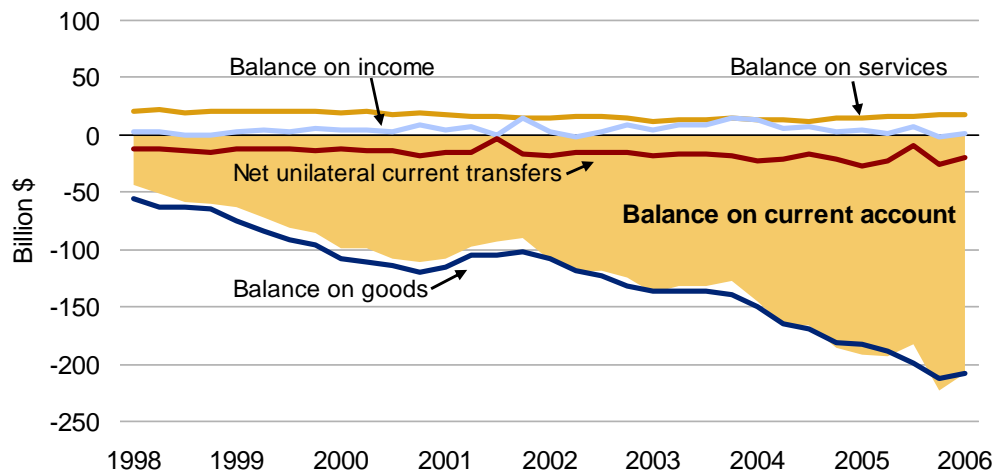
U.S. CURRENT-ACCOUNT DEFICIT DECREASES IN FIRST QUARTER 2006

Preliminary estimates of U.S. international transactions

The U.S. current-account deficit, the broadest measure of U.S. international trade in goods and services, receipts and payments of income, and net unilateral current transfers (such as gifts) decreased to \$208.7 billion (preliminary) in the first quarter of 2006 from \$223.1 billion (revised) in the fourth quarter of 2005. As a share of U.S. GDP, the deficit decreased to 6.4 percent in the first quarter from 7.0 percent in the fourth.

Current-Account Balance and Its Components

[Seasonally adjusted]



- The deficit on goods decreased to \$208.0 billion from \$212.5 billion, as goods exports increased more than goods imports.
- The surplus on services decreased to \$17.2 billion from \$17.7 billion, as services payments increased more than services receipts.
- The balance on income shifted to a surplus of \$1.9 billion from a deficit of \$2.2 billion, as income receipts increased more than income payments.
- Net unilateral current transfers were net outflows (payments) of \$19.9 billion, down from \$26.2 billion.

Net recorded financial inflows—net acquisitions by foreign residents of assets in the United States less net acquisitions by U.S. residents of assets abroad—were \$157.6 billion in the first quarter, down from \$242.7 billion in the fourth.

- U.S.-owned assets abroad increased \$333.9 billion in the first quarter after they had increased \$10.7 billion in the fourth.
- Foreign-owned assets in the United States increased \$491.6 billion in the first quarter after they had increased \$253.4 billion in the fourth.

BEA data—including GDP, personal income, the balance of payments, foreign direct investment, the input-output accounts, and economic data for states, local areas, and industries—are available on the BEA Web site: www.bea.gov. [E-mail alerts](#) are also available.

NOTE: The next release of U.S. international transactions will be on September 18, 2006.