

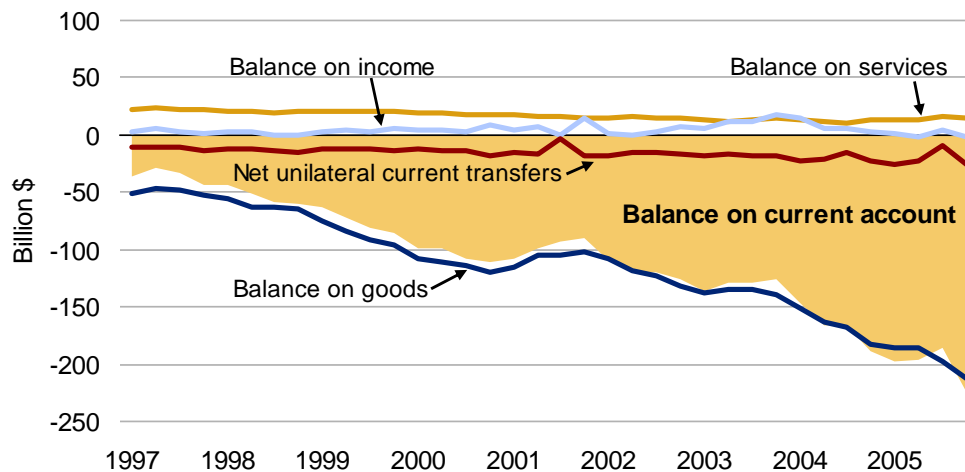
U.S. CURRENT-ACCOUNT DEFICIT INCREASES IN FOURTH QUARTER 2005

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), increased to \$224.9 billion (preliminary) in the fourth quarter of 2005 from \$185.4 billion (revised) in the third quarter. As a share of U.S. GDP, the deficit increased to 7.0 percent in the fourth quarter from 5.9 percent in the third.

Current-Account Balance and Its Components

[Seasonally adjusted]



- The deficit on goods increased to \$212.4 billion from \$197.3 billion, as goods imports increased more than goods exports.
- The surplus on services decreased to \$15.1 billion from \$15.9 billion, as services payments increased more than services receipts.
- The balance on income shifted to a deficit of \$2.4 billion from a surplus of \$4.9 billion, as income payments increased more than income receipts.
- Net unilateral current transfers were net outflows (payments) of \$25.1 billion, up from \$8.9 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 \$235.0 billion in the fourth quarter, down from \$253.8 billion in the third.

- U.S.-owned assets abroad increased \$43.1 billion in the fourth quarter after they had increased \$141.4 billion in the third.
- Foreign-owned assets in the United States increased \$278.0 billion in the fourth quarter after they had increased \$395.3 billion in the third.

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 June 16, 2006.