

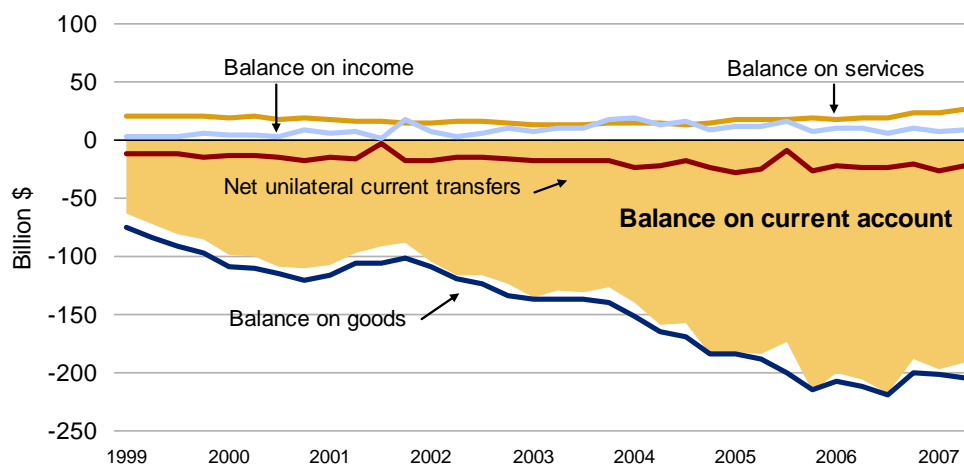
## U.S. CURRENT-ACCOUNT DEFICIT DECREASES IN SECOND QUARTER 2007

*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 \$190.8 billion (preliminary) in the second quarter of 2007 from \$197.1 billion (revised) in the first quarter. As a share of U.S. GDP, the deficit decreased to 5.5 percent from 5.8 percent. The previously published estimate of the current account for the first quarter was \$192.6 billion.

### Current-Account Balance and Its Components

[Seasonally adjusted]



- The deficit on international trade in goods increased to \$204.2 billion from \$200.9 billion, as goods imports increased more than goods exports.
- The surplus on international trade in services increased to \$26.5 billion from \$23.3 billion, as receipts for services increased more than payments for services.
- The surplus on income increased to \$9.4 billion from \$7.5 billion, as income receipts increased more than income payments.
- Net unilateral current transfers to foreign residents were \$22.5 billion, down from \$27.0 billion.

Net financial inflows—net acquisitions by foreign residents of assets in the United States less net acquisitions by U.S. residents of assets abroad—were \$150.9 billion in the second quarter, down from \$181.9 billion in the first.

- U.S.-owned assets abroad increased \$469.5 billion in the second quarter after they had increased \$449.5 billion in the first.
- Foreign-owned assets in the United States increased \$620.4 billion in the second quarter after they had increased \$616.6 billion in the first.

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](http://www.bea.gov). [E-mail alerts](#) are also available.

NOTE: The next release of U.S. international transactions will be on December 17, 2007.