

MEASURING THE NATION'S ECONOMY

International Investment Position
Travel and Tourism Satellite Accounts

Annual Industry Accounts

GDP by State Corporate Profits

U.S. International Transactions

Local Area Personal Income

Fixed Assets

Input-Output

Personal Income and Outlays

Trade in Goods and Services

GDP

Measuring the Nation’s Economy

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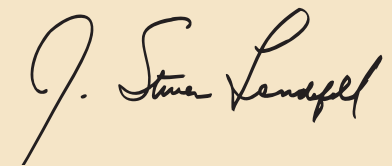
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Message from the Director

The Bureau of Economic Analysis (BEA) strives to provide the most timely, relevant, and accurate economic data to its users. BEA's economic accounts are designed to enable government officials, business leaders, academic researchers, and the American public to follow and understand the performance of the U.S. economy.

Integrity, quality, excellence, responsiveness, and innovation are the hallmarks of BEA's work. Success depends on your trust in the data BEA produces.

BEA takes pride in its work and is eager to help you understand its indicators and use its data. So, if you have any questions or suggestions, I encourage you to contact me or any BEA staff member.



J. Steven Landefeld, Director
Bureau of Economic Analysis

About BEA

Although relatively small, the U.S. Bureau of Economic Analysis is one of the world's leading statistical agencies. Located within the U.S. Department of Commerce, BEA is responsible for preparing economic accounts for the United States.

BEA's accounts, which cover national, international, regional, and industry data, present essential information on such key issues as economic growth, regional economic development, the relationships among industries, and the nation's position in the world economy.

BEA obtains data from a vast array of government and private sources, conducts research and analysis, develops and implements estimation methods, and provides its statistics to the public.

The economic accounts provide a comprehensive, up-to-date picture of U.S. economic activity. These closely watched statistics are key ingredients in critical decisions affecting monetary policy, tax and budget projections, and business investment plans.

BEA's Web site: www.bea.gov

1 U.S. Economy at a Glance

BEA produces some of the most closely watched economic statistics that provide a comprehensive, up-to-date picture of the U.S. economy. The data on this page are the most recent indicators, charts, and maps drawn from featured BEA economic accounts.

2 Current Releases

The latest economic indicators are listed front and center on the home page, in their respective account areas. Select the side bar links to read additional current releases, review past releases by subject and date, or check the schedule of future release dates.

3 Newsroom

BEA's newsroom gathers the information that reporters most frequently seek. It provides fast facts, links to estimates, and background information about BEA. Information is presented in layman's language and aligned with the economic indicators that BEA presents.

4 Survey of Current Business

The monthly journal *Survey of Current Business* is the definitive source of information about BEA's economic accounts. Articles in the *Survey* present the latest national, international, regional, and industry estimates; describe the methods used to prepare the estimates; and discuss major revisions and other relevant information. Each issue includes numerous tables and charts that present various estimates in historical context. The *Survey* also provides updates of key research and other important initiatives at BEA. You can access the *Survey* on BEA's Web site or subscribe by contacting the U.S. Government Printing Office at (202) 512-1800 or at bookstore.gpo.gov.

5 Interactive data tables

You can view, download and print BEA data using BEA's interactive tables, charts, or maps. The data are highly customizable. For example, you can create broad time-series tables or focus on a specific year, quarter, industry, or country. Most interactive tables can be downloaded as

a comma separated value (.csv) file or spreadsheet and can be displayed in a file optimized for easy printing. In some areas of the site, you can choose to display data graphically in bar or line charts or in a map.

6 BEA papers

Formal papers and presentations by BEA staff are available on BEA's Web site. Working papers—research papers and analytical presentations that may later be developed into formal papers or presentations—are also available. Abstracts are in HTML format and complete papers are in PDF format.

7 Frequently asked questions

If you need more information, you can browse BEA's frequently asked questions section. Questions can be grouped by national, international, regional, and industry account areas. This section also includes questions about special occurrences (such as hurricanes) and how to use BEA's Web site.

8 Subscribe to news updates

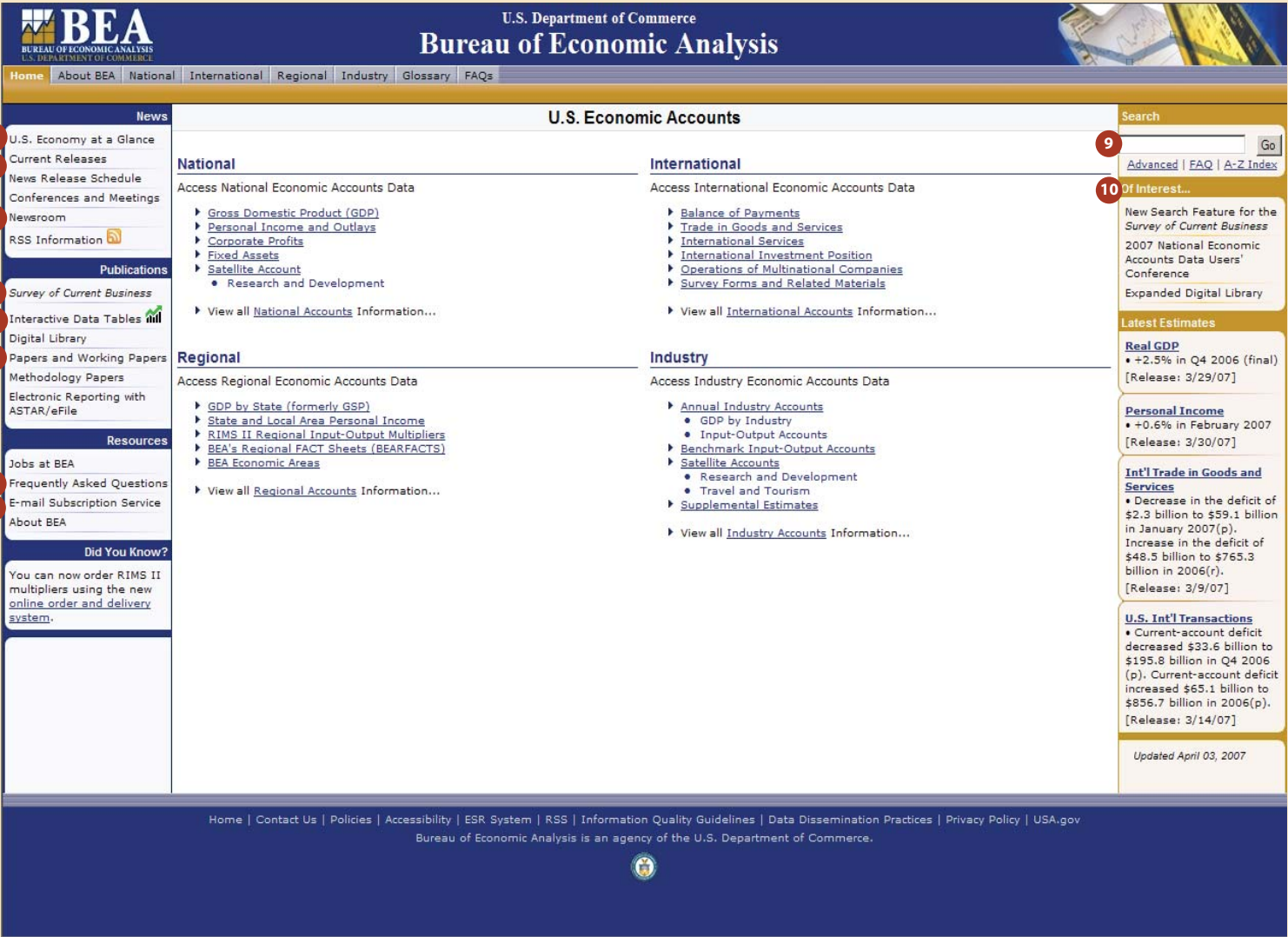
Too busy to check the Web site? Subscribe to e-mail updates of selected news releases via the e-mail subscription service. If you prefer, you can receive current releases via RSS feed.

9 Search engine

You can perform a single keyword search from any page on the site or a more detailed search via a link from the results page. Search results can be sorted by date or relevance. The search engine clusters search results by topic, allows you to preview a resulting document directly within the results page, and lets you open a new browser window containing the document.

10 Of interest

Watch BEA's "of interest" corner for the latest news and special information featured on BEA's Web site.



For more information, go to www.bea.gov and click on "National"

U.S. Economic Accounts

BEA prepares the U.S. national, international, regional, and industry accounts. These accounts present a broad, integrated picture of U.S. economic activity within a framework that is consistent with international standards for economic accounts.

National Economic Accounts

The national economic accounts tell us about the structure and path of the U.S. economy. The core of these accounts is the national income and product accounts (NIPAs). The NIPAs are organized into seven summary accounts.

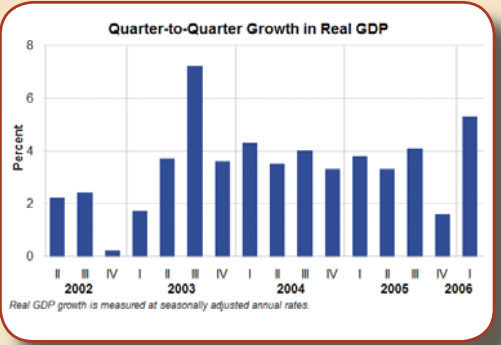
1. The *domestic income and product account* shows the production of all sectors of the economy. The right (product) side of the account shows gross domestic product (GDP) measured as the sum of goods and services sold to final users and the left (income) side of the account shows GDP as measured by the incomes earned in production—gross domestic income—plus the “statistical discrepancy” (the difference between the two measures).
2. The *private enterprise income account* provides additional information on the sources and uses of the income of private businesses and other private enterprises.
3. The *personal income and outlay account* shows the sources and uses of income received by persons.
4. The *government receipts and expenditures account* summarizes the transactions for the federal government and for state and local governments.
5. The *foreign transactions current account* provides information on receipts and payments associated with trade in goods and services with the rest of the world and other activities not involving transfers of assets.
6. The *domestic capital account* presents information on saving and investment for the economy.

7. The *foreign transactions capital account* provides information on transactions with the rest of the world that are linked to the acquisition or disposition of assets.

Among the most closely watched measures of U.S. economic activity shown in the NIPAs are gross domestic product (GDP), personal income and outlays, and corporate profits. In addition to the NIPAs, BEA also prepares estimates of the stocks of fixed assets and consumer durable goods. To view or download the national accounts estimates in interactive tables, visit BEA’s Web site at www.bea.gov and click on “National.”

Gross domestic product (GDP)

GDP is the most comprehensive measure available of U.S. economic activity. It measures the value of the goods and services produced by labor and property located in the United States. Quarterly changes in “real” (inflation-adjusted) GDP are considered the primary measure of the path of the U.S. economy. That is, they indicate whether growth is positive or negative, whether growth is accelerating or decelerating, whether growth is high or low relative to trend, and where the economy is in relation to the business cycle.



GDP is estimated as the sum of its final-expenditure components: Personal consumption expenditures (consumer spending), gross private domestic investment (business investment in structures, equipment and software, and inventories), net exports (exports of goods and services less imports of goods and services) and government consumption expenditures and gross investment (government spending). Estimates are provided of the contributions of each of these components to U.S. economic growth.

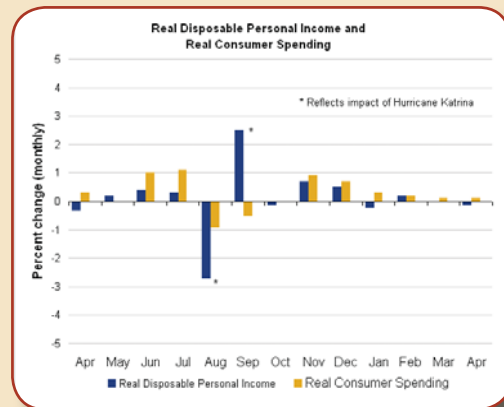
The quarterly estimates of GDP and most other NIPA series are released on the following schedule: "Advance" estimates are released near the end of the first month after the end of the quarter; as more detailed and more comprehensive data become available, "preliminary" and "final" estimates are released near the end of the second and third months, respectively.

How are GDP and related NIPA estimates used?

- By the Administration and Congress to prepare the federal budget estimates and projections and to formulate fiscal policy
- By the Federal Reserve Board to formulate monetary policy
- By the business community to plan financial and investment strategies
- By academia to undertake macroeconomic research

Personal income and outlays

The monthly estimates of personal income and outlays measure the income U.S. residents receive and how they spend or save it. *Personal income* is the income received by persons from all sources—that is, from participation in production (such as compensation of employees, income from self-employment, and rental income) and from current transfer receipts from both government (such as Social Security and Medicare benefits) and business (such as pension benefits). *Personal outlays* consists largely of personal consumption expenditures, mainly purchases of goods and services by individu-



als from business and government.

Personal income less personal current taxes equals *disposable personal income* (DPI). DPI measures the income that is available to be either spent or saved. DPI less personal outlays equals *personal saving* and personal saving as a percentage of DPI is the *personal saving rate*.

The estimates of personal income and outlays for the month are released about one month after the end of that month and are subject to revision in the next few months.

How are the estimates of personal income and outlays used?

- To obtain the most current information available to track the path of overall U.S. economic activity
- To study the relationships among income, spending, and saving
- In econometric models to project consumer behavior

Corporate profits

The quarterly estimates of corporate profits provide a comprehensive, consistent measure of the income earned from current production by U.S. corporations. Income consists of receipts that arise from current production less associated expenses. Because of the focus on current production, receipts exclude dividend income and capital gains and expenses exclude bad debts, depletion, and capital losses.



The NIPA estimates of corporate profits are on an economic-accounting basis; they contain adjustments to the value of inventories and of depreciation to account for the effects of price changes on profits. In this and other ways, they differ from the financial accounting of profits that underlies corporate annual reports and the tax accounting of profits that is reported on corporate tax returns. BEA prepares estimates of corporate profits before and after tax and by industry.

The preliminary estimates of corporate profits for the quarter are released near the end of the second month after the end of that quarter, as part of the release of the preliminary GDP estimates. Revised estimates are released one month later as part of the release of the final GDP estimates. For fourth-quarter profits, the only estimate is the one released near the end of March.

How are the estimates of corporate profits used?

- By Wall Street to track overall U.S. corporate financial health
- By industry analysts to track industry financial health
- By macroeconomic forecasters to project investment in plant and equipment
- By government policymakers to project tax receipts

Fixed assets and consumer durable goods

The annual estimates of fixed assets and consumer durable goods are BEA's featured measure of U.S. fixed nonfinancial wealth. *Fixed assets* are the stocks of structures (for example, commercial buildings) and equipment and software (for example, communications equipment) owned by business and by government. Estimates are prepared by type of asset and by industry. *Consumer durable goods* are the stocks of durable goods (goods with an average life of at least three years, for example, automobiles) owned by persons.

The estimates of fixed assets and consumer durable goods for the year are available about nine months after the end of that year.

How are the estimates of fixed assets and consumer durable goods used?

- By researchers in studies of national income and wealth
- By the Federal Reserve Board in preparing the flow of funds accounts
- To calculate rates of return for corporations and in international comparisons of profitability
- By researchers to prepare alternative estimates of personal savings

For more information, go to www.bea.gov and click on “International”

International Economic Accounts

The international economic accounts tell us about the relationship between the U.S. economy and the global economy. They provide information on international transactions, trade in goods and services, international services, the U.S. international investment position, and direct investment and the activities of multinational companies. In support of this program, BEA conducts a number of mandatory surveys of international services and of direct investment.

International transactions accounts (balance of payments)

The international transactions accounts (ITAs) present annual and quarterly estimates that summarize the transactions between the United States and foreign countries. They consist of a current account, a capital account, and a financial account.

The current account records exports of goods and services (for example, wheat shipped from the United States to Russia or legal services provided by a U.S. firm to a client in Japan) and receipts of income on U.S.-owned assets abroad (for example, the income earned by a U.S. company from the operations of a plant it owns in Canada) as credits—that is, with a plus sign. It records imports of goods and services and payments of income on foreign-owned assets in the United States as debits—that is, with a minus sign. Unilateral transfers (such as gifts to other countries) are recorded on a net basis. The sum of the credits and debits in the current account is the *current-account balance*.

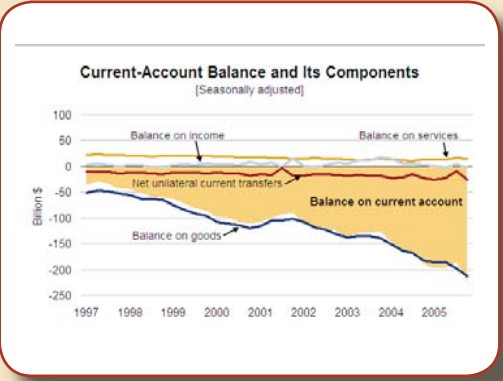
The capital account records capital transfers, such as debt forgiveness.

The financial account records net acquisitions of U.S.-owned assets abroad (for exam-



ple, the funds a U.S. company uses to acquire a British company) and of foreign-owned assets in the United States. Net acquisitions abroad are recorded as debits and net acquisitions into the United States are recorded as credits. The sum of the credits and debits in the financial account is *net financial flows*.

Preliminary ITA estimates for the quarter are released about two and a half months after the end of that quarter and preliminary estimates for the year are released about two



How are the ITAs used?

- To assess the impact of international trade and investment (globalization) on the U.S. economy
- To analyze the balances on transactions between the United States and other areas and countries
- By business managers to assess market size and market share and to judge market direction

and a half months after the end of that year. Revised estimates are released three months after the preliminary estimates.

Trade in goods and services

The monthly estimates of U.S. trade in goods and services provide up-to-date information on U.S. exports to and imports from foreign countries. The goods estimates, which are largely prepared by the U.S. Census Bureau, are available by detailed product and by selected countries and areas. The service estimates, which are prepared by BEA, are available by major category. The difference between exports and imports is the overall *balance on trade in goods and services* for the United States.



Preliminary trade estimates for the month are jointly released by BEA and the Census Bureau about six weeks after the end of that month. Revised estimates are released one month after the preliminary estimates.

How are the trade estimates used?

- By trade policy officials to negotiate international trade agreements
- By trade association officials to identify key export markets and to assist in deliberations trade of agreements
- By business managers to assess market size and market share and to judge market direction

International services

The annual estimates of U.S. international sales and purchases of services provide detailed information on two types of transactions. The first type consists of U.S. exports and imports of services recorded in the international transactions accounts. The second consists of (a) sales of services to foreign residents by affiliates owned by U.S. companies and located abroad and (b) purchases of services by U.S. residents from affiliates owned by foreign companies and located in the United States. Thus, the second type of transaction, "sales through affiliates," is distinguished from the first type, "cross-border trade," by the fact that it is not a transaction between a U.S. resident and a foreign resident.

BEA prepares estimates of U.S. cross-border trade in private services and of sales of services through majority-owned U.S. and foreign affiliates of multinational companies. The inclusion of both cross-border trade and sales through affiliates recognizes the way that multinational companies fashion their worldwide operations and the importance of proximity to customers in the delivery of services.

The annual estimates of international services—for the preceding year for cross-

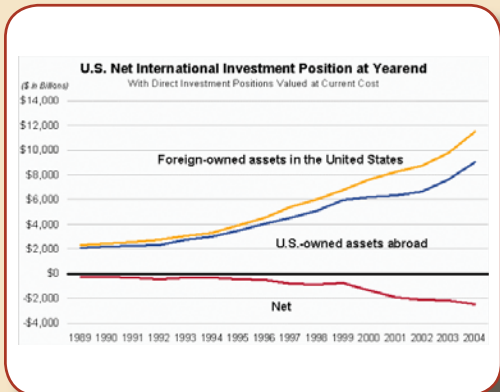
How are the estimates of international services used?

- To assess the size and composition of trade in services by country and type of service
- To compare the prevalence of cross-border trade in services to sales of services through affiliates
- By trade policy officials to negotiate international trade agreements
- By business managers to assess market size, market share and market trends

border services and for the year before that for sales of services through affiliates—are usually published in a fall issue of the *Survey of Current Business*.

International investment position accounts

International investment position accounts show the cumulative value of U.S.-owned assets abroad and of foreign-owned assets in the United States at the end of each year. U.S.-owned assets consist of accumulated stocks of U.S. official assets (e.g., gold reserves), other U.S. government assets (e.g., U.S. government loans to foreign governments), direct investment (U.S. ownership of foreign business enterprises), portfolio investment (U.S. holdings of foreign stocks and bonds), and other private investment (e.g., U.S. loans to foreigners). U.S.-owned assets abroad less foreign-owned assets in the United States equals the *net international investment position* of the United States.



Annual international investment position estimates are released in June of the following year.

How are the international investment position accounts used?

- To analyze the size and composition of U.S. investment abroad and of foreign investment in the United States.
- To assess the impact of international investment (globalization) on the U.S. economy.



Direct investment and the activities of multinational companies

The annual estimates of U.S. direct investment abroad and of foreign direct investment in the United States provide information on transactions between parent companies and their affiliates, on related positions, and on the financial and operating characteristics of the firms involved. Direct investment is defined as ownership by the investor of at least 10 percent of a foreign business.

The direct investor is known as the parent company and the foreign business is known as an affiliate. The combined operations of the parent and its affiliates constitute a multinational company. (Examples of direct investment by a parent company include providing funds for the acquisition of a foreign company or for the expansion of an existing facility in a foreign country.)

BEA produces two broad sets of direct-investment data. The first set consists of international transactions data, which are included in the ITAs and direct investment position data, which are included in the international investment position accounts. The international transactions data cover transactions between affiliates and their parent companies. The direct investment position data measure the level of U.S. direct investment abroad and of foreign direct investment in the United States. The second set consists of financial and operating data for multinational companies. These data



cover the overall activities of their affiliates abroad and foreign-owned U.S. companies.

U.S. direct investment abroad

The international transactions data on foreign affiliates' transactions with their U.S. parent companies include capital flows, which measure the funds that U.S. parents provide to their foreign affiliates, and income, which measures the return on those funds. The direct investment position data are stock data and are cumulative; they measure the total outstanding level of U.S. direct investment abroad.

The financial and operating data cover overall activities—such as sales, value added, employment, and capital expenditures—of foreign affiliates and their U.S. parent companies. BEA also produces a separate set of financial and operating data for majority-owned foreign affiliates (U.S. ownership exceeds 50 percent) and their U.S. parents.

Summary estimates of the finances and operations of U.S. multinational companies for the year are usually released about 16

months after the end of that year. Detailed estimates are usually released about two or three months later.

How are the data on U.S. direct investment abroad used?

- To measure the current-dollar value of and returns on U.S. direct investment abroad
- To measure the share of U.S. and foreign gross domestic product, employment, exports and imports of goods, capital stock, and research and development accounted for by the U.S. multinational companies
- To analyze the characteristics of firms, industries, and countries that influence the decision to undertake direct investment abroad
- To analyze the impact of U.S. direct investment abroad on employment, wages, productivity, and tax revenues

Foreign direct investment in the United States

International transactions data on U.S. affiliates' transactions with their foreign parent companies include capital flows, which measure the funds that foreign parents provide to their U.S. affiliates, and income, which measures the return on those funds. The direct investment position estimates are stock data and are cumulative; they measure the total outstanding level of foreign direct investment in the United States.

The financial and operating data cover the overall activities—such as sales, value added, employment, and capital expenditures—of the U.S. affiliates. BEA also produces data on outlays by foreign direct investors to acquire or establish U.S. businesses and selected data on the operations of the newly acquired or established affiliates. In addition, in a joint project with the Census Bureau, BEA periodically publishes detailed industry data on foreign-owned establishments (plants) in the United States.



Summary estimates of the finances and operations of U.S. affiliates of foreign companies for the year are usually released about 16 months after the end of that year. Detailed estimates are released somewhere between two and four months later. The estimates of new foreign direct investment for the year are usually released about six months after the end of that year.

How are the data on foreign direct investment in the United States used?

- To measure the value of and returns on foreign direct investment in the United States
- To measure the share of U.S. gross domestic product, employment, exports and imports of goods, and research and development accounted for by U.S. affiliates of foreign companies
- To analyze the differences between foreign- and domestically-owned establishments for such characteristics as wage rates, plant size, capital intensity, domestic content, profitability, and productivity
- To analyze the extent of foreign direct investment in individual U.S. states and industries

For more information, go to www.bea.gov and click on "Regional"

Regional Economic Accounts

The regional economic accounts tell us about the geographic distribution of U.S. economic activity and growth. They provide estimates of state personal income, local area personal income, and gross domestic product by state (GDP by state).

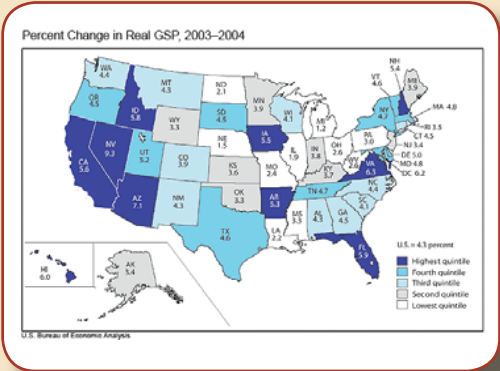
GDP by State

The annual estimates of GDP by state measure the value added to U.S. production by the labor and property in each state. GDP by state is the state counterpart of gross domestic product (GDP), the featured and most comprehensive measure of U.S. production. Thus, these estimates provide a framework for analyzing the contributions of regions and states to U.S. economic activity. Comparisons of real (inflation-adjusted) GDP by state growth with employment growth can be used to track changes in labor productivity.



GDP by state is measured as the sum of the distributions by industry and state of the costs incurred and the income earned in producing GDP by state (such as employee compensation, business taxes, and corporate profits). Thus, the GDP by state estimates are consistent with the GDP-by-industry estimates in the industry accounts as well as with the GDP estimates in the national accounts.

Advance GDP by state estimates for the year are released about six months after the end of that year. More detailed estimates are available four months later.

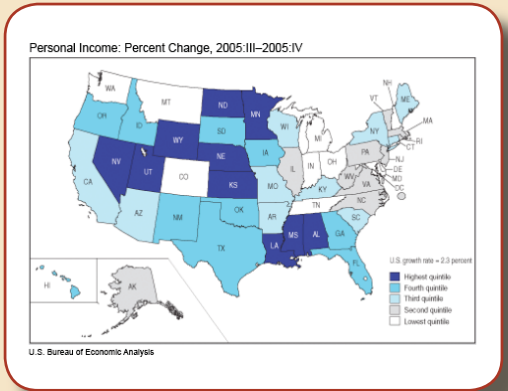


How are the estimates of GDP by state used?

- To analyze the regional impacts of national economic trends
- To study changes in the contributions of labor and capital to industry output
- By federal government agencies to allocate funds and in econometric models
- By state governments to project tax revenues and the need for public services
- By academic researchers to conduct theoretical and applied economic research
- By businesses, trade associations, and labor organizations to conduct market research

State personal income

The annual and quarterly estimates of state personal income measure the income received by or on behalf of the residents of the state. They are the state counterpart of the national estimates of personal income and they provide a consistent framework for analyzing and comparing individual state economies.



The state estimates provide detailed information by type of income (such as wages and salaries, dividend income, and Social Security benefits) that is comparable across all states and with the nation as a whole. Estimates of compensation and of earnings by place of work indicate the economic activity of business and government within the state, while estimates of personal income by place of residence provide a measure of the fiscal capacity of the state.

BEA also prepares annual state estimates of disposable personal income (personal income less current personal taxes), per capita personal income (personal income divided by total population), and employment. State disposable personal income provides a measure of the income available for spending and saving and state per capita personal income is an indicator of the economic well-being of the residents of a state.

The estimates of state personal income for the quarter are released about three months after the end of that quarter. Preliminary annual estimates of state personal income are released about three months after the end of that year. Revised and more detailed annual estimates are released about six months later.

Local area personal income

The annual estimates of personal income for local areas measure the income received by or on behalf of the residents of the area. BEA prepares estimates for 3,111 counties, 361 metropolitan areas, 577 micropolitan areas, 29 metropolitan divisions and 122 combined statistical areas, and 179 BEA economic areas. These estimates provide a consistent framework for analyzing and comparing individual local area economies. BEA also prepares annual estimates of per capita local area personal income, which is an indicator of the economic well-being of the residents of an area.

The local area estimates also provide detailed information by type of income that is comparable across all local areas and with the state estimates. Estimates of compensation and of earnings by place of work indi-

How are estimates of local area income used?

- To measure and track the levels and types of incomes that are received by people who live or work in a county, metropolitan area, or BEA economic area
- By federal government agencies in econometric models, such as those to project energy use
- By state governments to measure the economic base of state planning areas and to project tax revenues and public utility needs
- By academic researchers to conduct theoretical and applied economic research
- By businesses, trade associations, and labor organizations to conduct market research
- By public and private analysts to prepare environmental impact statements required by the National Environmental Policy Act of 1969



cate the economic activity of business and government within the area and estimates of personal income by place of residence provide a measure of fiscal capacity of the area.

The estimates of local area personal income for the year are released about 16 months after the end of that year.

On the "Regional" Web page, you may obtain a quick summary of the economy of a state or local area through BEA's Regional Facts, or BEARFacts. BEARFacts are computer-generated narratives for states, counties, metropolitan statistical areas (MSAs), and BEA economic areas that describe the area's personal income using current estimates, growth rates, and a breakdown of the sources of personal income.

Regional input-output multipliers

The regional economic multipliers estimate the effects of a change in the output of one or more industries in an area on the output, employment, and labor earnings in the other industries in that area (for example, the impact of the relocation of a major business on the economy of the surrounding area). The multipliers are derived using the regional input-output modeling system (RIMS II) and are based on estimates of local area personal

income and on the industry input-output accounts for the nation. For a fee, BEA will prepare customized estimates of economic multipliers for any area, state, or county.

Regional input-output multipliers can be ordered using the online order form on the "Regional" Web page.

How are the regional multipliers used?

- To estimate the economic impacts of a wide range of projects, such as building a new sports facility or expanding an airport
- To assess the effects of natural disasters, such as hurricane damage
- By federal, state, and local government agencies to study the local impact of regulations on specific industries or of actions, such as closing a military base
- By state and local governments to estimate the economic impacts of firms locating within their state or the impact of tourism on the local area economy

For more information, go to www.bea.gov and click on "Industry"

Industry Economic Accounts

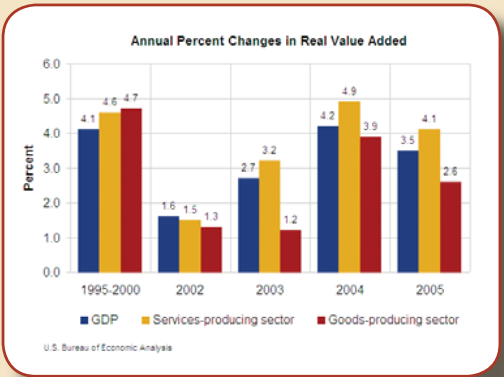
The industry accounts tell us about the relationships among the industries that make up the U.S. economy. They consist of the annual industry accounts, the benchmark input-output accounts and the U.S. travel and tourism satellite accounts.

Annual industry accounts

The annual industry accounts for the United States consist of the integrated gross domestic product-by-industry and annual input-output accounts. The integration of these accounts provides detailed, consistent information on the changing structure of the U.S. economy. Together, they show the annual contributions of private industries and government to gross domestic product (GDP), the featured and most comprehensive measure of U.S. production. The annual flows of goods and services through the production processes of industries and to the final uses that make up GDP.

GDP-by-industry accounts

The GDP-by-industry accounts provide annual estimates of value added, the industry counterpart of GDP. Value added is measured as an industry's gross output (sales or receipts and other operating income, commodity taxes, and inventory change) minus the intermediate inputs that are used in the production process (energy, raw materials, semi-finished goods, and purchased services). BEA prepares estimates of each industry's gross output and intermediate inputs and of the composition of the in-



come earned in producing value added (for example, employee compensation, business taxes, and corporate profits).

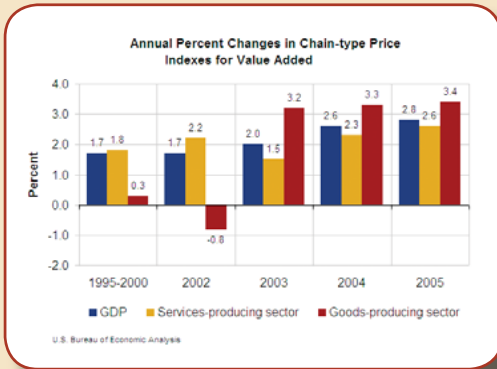
The GDP-by-industry estimates show the industrial composition of the U.S. economy. This detailed information provides the basis for comparing the performance of each industry relative to those of other industries and to the economy as a whole and for identifying each industry's contribution to U.S. economic growth.

Annual GDP-by-industry estimates are released about four months after the end of each year. More detailed estimates are available about seven months later.



How are the GDP-by-industry estimates used?

- To study changes in the returns to labor and capital by industry
- To study production, capacity, and productivity across industries
- To compare price changes across industries



Annual input-output accounts

The annual input-output (I-O) accounts provide detailed information on the flows of goods and services that make up the production processes of industries. They show how industries interact as they provide inputs to and use outputs from each other to produce GDP.

The annual I-O accounts are presented in a series of make tables and use tables and supplementary requirements tables that are similar to those described below for the benchmark I-O accounts. Estimates are published for 65 industries.

The annual I-O accounts are available about 11 months after the end of each year.

How are the annual I-O accounts used?

- To study production capacity and productivity across industries
- To examine the direct and indirect effects of a strike or a natural disaster on the U.S. economy
- By the U.S. International Trade Commission to measure the impact of trade policies
- By trade associations to assess cross-industry impacts of economic and regulatory changes

Benchmark input-output accounts

The benchmark input-output (I-O) accounts provide the most comprehensive information available on the flows of goods and services to industries for use in their production processes and to final users in the economy. These accounts are prepared at five-year intervals and are based on detailed data from the quinquennial economic censuses conducted by the U.S. Bureau of the Census. Detailed estimates are published for nearly 500 industries.

At the heart of the I-O accounts are two basic national-accounting tables. The *make table* shows the detailed commodities (goods and services) that are produced by industries. The *use table* shows the detailed commodities that are used by industries (for example, steel) and those that are consumed by final users (for example, automobiles). The I-O accounts also include four *requirements tables* that facilitate the analysis of relationships between industry production and final de-

How are the benchmark I-O accounts used?

- To estimate the direct and indirect effects of changes in final uses on industries and commodities (for example, to estimate the effects of a strike or a natural disaster on the U.S. economy); to estimate the effects of an increase in U.S. exports or in employment
- By business in macroeconomic and microeconomic forecasting models
- To provide the data and framework used to estimate GDP and its components for the preparation of other economic statistics, such as the travel and tourism satellite accounts

mand. Additional tables include the *capital flow table* (which shows the investment in structures and in equipment and software by industries), the *import matrix* and *bridge tables* between the I-O accounts and the national income and product accounts.

The I-O accounts for a benchmark year are available about five years after that year.

U.S. travel and tourism satellite accounts

Annual U.S. travel and tourism satellite accounts present a detailed picture of the travel and tourism industries and their roles in the U.S. economy. These accounts are based on the I-O benchmark accounts and they are consistent with the integrated annual industry accounts.

The travel and tourism accounts show the output of travel and tourism industries by industry and the expenditures by tourists, or visitors, by commodity. They also provide estimates of the income generated by travel and tourism and of employment in the travel and tourism industries. These accounts are prepared with the support of the Tourism Industries Office of the U.S. International Trade Administration.

BEA also prepares quarterly estimates of output, prices, and employment in the tourism industries.

Annual travel and tourism accounts are available about six months after the end of each year. More detailed estimates are available about 12 months later. Quarterly estimates of tourism output and prices are released about six months after the end of each quarter. Tourism employment estimates are released about six months later.

How are the travel and tourism satellite accounts used?

- To determine the shares of the goods and services that were sold to visitors and the shares that were sold to local residents
- To examine the relationship among travel and tourism industries and to compare these industries with other manufacturing and service industries
- To determine the expenditures of tourists
- To assess the impact of specific events on travel and tourism, such as that of September 11, 2001



Executive Staff

J. Steven Landefeld, Director

Rosemary D. Marcuss, Deputy Director

Brent R. Moulton, Associate Director for National Economic Accounts
Ralph H. Kozlow, Associate Director for International Economic Accounts
Sumiye Okubo, Associate Director for Industry Economic Accounts
Dennis J. Fixler, Chief Statistician

BEA Contacts

General inquiries

Public Information Office, (202) 606-9900: CustomerService@bea.gov

Media inquiries

(202) 606-2649

Congressional affairs

(202) 606-2689

Inquiries about specific BEA estimates

National Economic Accounts

Gross domestic product: GDPNIWD@bea.gov
Personal income and outlays: PINIWD@bea.gov
Corporate profits: CPNIWD@bea.gov
Fixed assets: FANIWD@bea.gov

International Economic Accounts

International transactions, investment position, services, and direct investment:
internationalaccounts@bea.gov

Regional Economic Accounts

Gross domestic product by state accounts: gdpbystate@bea.gov
State and local area personal income accounts: reis.remd@bea.gov
Regional Input-Output Modeling System (RIMS II) regional multiplier estimates:
rimsread@bea.gov

Industry Account Economic Accounts

Current industry accounts: currentindustry@bea.gov
Benchmark industry input-output accounts: benchmarkio@bea.gov
Travel and tourism satellite accounts: industrysatellites@bea.gov

This publication was prepared by BEA's *Communications Division*: CustomerService@bea.gov

www.bea.gov



1441 L Street, NW, Washington, DC 20230
U.S. Department of Commerce
Economic and Statistics Administration
(202) 606-9900

