

How are the allocations of special drawing rights (SDRs) to the United States by the International Monetary Fund (IMF) in the third quarter of 2009 reflected in the International Transactions Accounts?

BEA is including the allocations of SDRs in the International Transactions Accounts (ITAs); previously, such allocations had been excluded. Specifically, the allocations to the United States in the third quarter of 2009, totaling \$47.6 billion, are included in the special drawing rights component of U.S. official reserve assets (line 43 of ITAs table 1). These allocations were a part of much larger allocations made by the IMF to participating member countries to help combat the global financial crisis. The offset to these transactions is included in “Other U.S. government liabilities” (line 60 of ITAs table 1), reflecting the increase in the liabilities of the U.S. Treasury.

In order to treat all SDR allocations consistently, BEA is departing from its usual practice of making historical revisions only in the June release of the ITAs. BEA is revising the ITAs to include the six earlier allocations of SDRs in the “Special drawing rights” transactions account, and the offsetting increases in liabilities in the “Other U.S. government liabilities” account, for allocations made in the first quarters of 1970, 1971, 1972, 1979, 1980, and 1981.

Including these allocations in the ITAs is consistent with BEA’s intent to adopt new international standards for the compilation of the ITAs embodied in the sixth edition of the IMF’s *Balance of Payments and International Investment Position Manual*, which was released in 2009. The previous (fifth) edition of the *Manual* excluded allocations of SDRs from the definition of balance of payments transactions. The IMF recommends that countries follow the new guidelines in recording these allocations as transactions in their statistics for the third quarter of 2009. The adoption of the new international standards for reporting allocations of SDRs allows BEA to show the significant impact of these allocations on U.S. international transactions.