

For use at 12:00 noon, eastern time
June 11, 2015



FEDERAL RESERVE STATISTICAL RELEASE

Z.1

Financial Accounts
of the United States

Flow of Funds, Balance Sheets,
and Integrated Macroeconomic Accounts

First Quarter 2015

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM



FEDERAL RESERVE STATISTICAL RELEASE

Z.1

Financial Accounts of the United States

**Flow of Funds, Balance Sheets,
and Integrated Macroeconomic Accounts**

First Quarter 2015

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

Recent Developments in Household Net Worth and Domestic Nonfinancial Debt

The net worth of households and nonprofits rose to \$84.9 trillion during the first quarter of 2015. The value of directly and indirectly held corporate equities increased \$487 billion and the value of real estate rose \$503 billion.

Domestic nonfinancial debt outstanding was \$41.7 trillion at the end of the first quarter of 2015, of which household debt was \$13.6 trillion, nonfinancial business debt was \$12.2 trillion, and total government debt was \$16.0 trillion.

Domestic nonfinancial debt growth was 2.8 percent at a seasonally adjusted annual rate in the first quarter of 2015.

Household debt increased at an annual rate of 2.2 percent in the first quarter of 2015. Consumer credit

grew 5.6 percent, while mortgage debt (excluding charge-offs) declined 0.3 percent at an annual rate.

Nonfinancial business debt rose at an annual rate of 6.6 percent in the first quarter, a somewhat smaller increase than in the previous quarter. As in recent years, corporate bonds accounted for most of the increase.

State and local government debt increased at an annual rate of 4.8 percent in the first quarter, up from an annual rate of 1.1 percent in the previous quarter.

Federal government debt declined 0.4 percent at an annual rate in the first quarter, after increasing 5.4 percent at an annual rate in the previous quarter.

Household Net Worth and Growth of Domestic Nonfinancial Debt

Year	Household net worth ¹	Growth of domestic nonfinancial debt ²				
		Total	Households	Businesses	State and local gov'ts	Federal government
2005	61,853	9.0	11.2	8.1	5.8	7.0
2006	66,300	8.4	10.2	9.8	3.9	3.9
2007	66,722	8.2	7.1	12.4	5.5	4.9
2008	56,492	6.2	1.1	5.8	0.6	24.2
2009	58,270	3.3	0.0	-4.3	4.0	22.7
2010	62,458	4.1	-1.1	-0.9	2.3	20.2
2011	63,879	3.6	-0.2	3.0	-1.7	11.4
2012	69,864	5.0	1.5	4.8	-0.2	10.9
2013	79,262	3.8	1.6	5.1	-1.3	6.5
2014	83,296	4.3	2.9	6.0	-0.5	5.4
2013: Q1	72,619	4.1	0.7	3.5	1.9	9.1
Q2	74,211	3.0	1.6	4.9	-0.2	3.5
Q3	76,628	3.6	3.2	7.2	-3.7	2.6
Q4	79,262	4.4	0.7	4.4	-3.3	10.5
2014: Q1	80,327	4.2	2.3	6.0	-1.3	6.0
Q2	81,724	3.5	3.7	4.9	1.2	2.5
Q3	81,650	4.4	2.9	5.0	-2.8	7.2
Q4	83,296	4.9	2.8	7.7	1.1	5.4
2015: Q1	84,925	2.8	2.2	6.6	4.8	-0.4

1. Shown on table B.101, which includes nonprofit organizations. Billions of dollars; amounts outstanding end of period, not seasonally adjusted

2. Percentage changes calculated as seasonally adjusted flow divided by previous quarter's seasonally adjusted level, shown at an annual rate.

Release Highlights First Quarter 2015

Topic	Description
Detail on 529 Plans	New memo items showing households' assets held in 529 college savings plans and prepaid tuition plans are now included on the balance sheet of households and nonprofit organizations (table B.101). Additionally, table B.101 now includes a memo item for households' assets held in individual retirement accounts (IRAs), which is also shown on the pension entitlements instrument tables (tables F.226 and L.226).
Nonfinancial corporate business benchmark	Assets of the nonfinancial corporate business sector (tables F.103, L.103, B.103, and R.103) have been revised from 2013:Q1 forward, to reflect new advance data from the Internal Revenue Service (IRS) Statistics of Income (SOI) for 2013.
Nonfinancial noncorporate business benchmark	Data for the noncorporate business sector (tables F.104, L.104, B.104, and R.104) have been revised from 2011:Q1 forward to reflect the 2011 and 2012 benchmark statistics from the Internal Revenue Service (IRS) Statistics of Income (SOI).
FEDS Notes	The following FEDS Notes have recently become available: "Defined-Contribution Pension Plans for State and Local Government Employees in the Financial Accounts of the United States" (Matthew Hoops, Irina Stefanescu, and Ivan Vidangos), "Deleveraging and Recent Trends in Household Debt" (Ivan Vidangos), and "The Federal Reserve's Overnight and Term Reverse Repurchase Agreement Operations in the Financial Accounts of the United States" (Ralf R. Meisenzahl). FEDS Notes are available on the Federal Reserve Board's website at www.federalreserve.gov/econresdata/notes/feds-notes/default.html .
Seasonally unadjusted NIPA flows for non-government sectors	In 2007, BEA discontinued producing seasonally unadjusted flow data for non-government NIPA series. Later historical revisions to the seasonally adjusted time series made the previously recorded unadjusted flow series out of date. To align the Financial Accounts data for these NIPA series with that published by BEA, we have recalculated the quarterly rate unadjusted flow component to equal the seasonally adjusted annual rate flow series published by BEA, divided by four.
New series mnemonic two-letter prefix	The two-letter prefix on level series mnemonics for real estate have been changed from "FL" to "LM" to signify that these series are recorded at market value. At this time, the mnemonics of calculated series that include components with mixed valuation have not been changed. Work to update the mnemonics of other market value series is ongoing.
Expansion of international data submissions	The "International Data Submissions" page of the "Financial Accounts Guide" includes two new tables and SDMX files for the U.S. Public Sector Debt statistics for general government and central government. These data are disseminated for the joint use of the World Bank, the International Monetary Fund, and the Organisation for Economic Co-operation and Development.

Explanatory Notes

Financial Accounts of the United States

The Statistical Release Z.1, “Financial Accounts of the United States,” is organized into the following sections:

- Matrices summarizing flows and levels across sectors, and tables summarizing credit market borrowing, gross domestic product (GDP), national income, saving, and so on
- Flow of funds, by sector and by financial instrument
- Levels of financial assets and liabilities, by sector and by financial instrument
- Balance sheets, including nonfinancial assets, and changes in net worth for households and nonprofit organizations, nonfinancial corporate businesses, and nonfinancial noncorporate businesses
- Supplementary tables providing additional detail on selected sectors
- Integrated Macroeconomic Accounts

The Integrated Macroeconomic Accounts (IMA) relate production, income, saving, and capital formation from the national income and product accounts (NIPA) to changes in net worth from the “Financial Accounts” on a sector-by-sector basis. The IMA are published jointly by the Federal Reserve Board and the Bureau of Economic Analysis and are based on international guidelines and terminology as defined in the System of National Accounts (SNA1993, revised in 2008).

Federal Reserve Board staff have taken many steps over the past several years to conform the “Financial Accounts” with the SNA guidelines. Nonetheless, a few important differences remain. In particular, in the “Financial Accounts”:

- The purchase of consumer durables is treated as investment rather than as consumption.
- Nonfinancial noncorporate businesses (which are often small businesses) are shown in a separate sector rather than being included in the household sector.
- Most debt securities are recorded at book value rather than market value.

Concepts of Level and Flow in the SNA and the Financial Accounts

The level of an asset or liability (also referred to as the stock or outstanding) measures the value of the asset or

liability in existence at a point in time. In the “Financial Accounts,” the levels are reported as of the end of each calendar quarter. In the SNA2008, the change in the level from one period to the next is called the “economic flow,” and can be decomposed into three broad elements: *transactions*, which measure the exchange of assets; *revaluations*, which measure changes in market value of untraded assets; and *other changes in volume*, which measure discontinuities or breaks in time series due to disaster losses or a change in source data or definition.

In the “Financial Accounts,” “flow of funds” refers to the exchange of assets, corresponding to the SNA definition of transactions, that is, “flow tables” in the “Financial Accounts” are equivalent to “transaction tables” in the SNA terminology. In practice, other volume changes are relatively rare, and revaluations occur only for series carried at market value (such as corporate equities and mutual fund shares), so for many series the change in the level is equal to the flow.

Growth Rates

Growth rates calculated from levels will include revaluations and other changes in volume. To isolate the effect of transactions on growth of a given asset or liability, users should calculate the ratio of the flow in a given period to the level in the preceding period.

Growth rates in table D.1 are calculated by dividing seasonally adjusted flows from table D.2 by seasonally adjusted levels at the end of the previous period from table D.3. Growth rates calculated from changes in unadjusted levels printed in table L.2 may differ from those in table D.1.

Seasonal Adjustment

Seasonal factors are recalculated and updated every year, and these revised factors are first published in the September release of second-quarter data. All series that exhibit significant seasonal patterns are adjusted. The seasonal factors are generated using the X-12-ARIMA seasonal adjustment program from the U.S. Census Bureau, estimated using the most recent 10 years of data. Because the effects of the recent financial crisis resulted in large outliers in some series that would have distorted the estimated seasonal factors, seasonal factors for some series were extrapolated using pre-crisis data. Seasonally adjusted levels shown in table D.3 are derived by carrying forward year-end levels by seasonally adjusted flows.

Data Revisions

Data shown for the most recent quarters are based on preliminary and potentially incomplete information. A summary list of the most recent data available for each sector is provided in a table following these notes. Nonetheless, when source data are revised or estimation methods are improved, all data are subject to revision. There is no specific revision schedule; rather, data are revised on an ongoing basis. In each release of the “Financial Accounts,” major revisions are highlighted at the beginning of the publication.

Discrepancies

The data in the “Financial Accounts” come from a large variety of sources and are subject to limitations and uncertainty due to measurement errors, missing information, and incompatibilities among data sources. The size of this uncertainty cannot be quantified, but its existence is acknowledged by the inclusion of “statistical discrepancies” for various sectors and financial instruments.

The discrepancy for a given sector is defined as the difference between the aggregate value of the sector’s sources of funds and the value of its uses of funds. For a financial instrument category, the discrepancy is defined as the difference between the measurement of funds raised through the financial instrument and funds disbursed through that instrument. The relative size of the statistical discrepancy is one indication of the quality of the underlying source data. Note that differences in seasonal adjustment procedures sometimes result in quarterly discrepancies that partially or completely offset each other in the annual data.

Financial Accounts Guide

Substantially more detail on the construction of the “Financial Accounts” is available in the *Financial Accounts Guide*, which provides interactive, online documentation for each data series. The tools and descriptions in the guide are designed to help users understand the structure and content of the “Financial Accounts.” The guide allows users to search for series, browse tables of data, and identify links among series within these accounts. It also provides descriptions of each of the published tables and information on the source data underlying each series.

The guide is not part of the quarterly release, but it is continually updated and kept consistent with the most recently published data. The guide and the data from the “Financial Accounts” are available free of charge online:

www.federalreserve.gov/apps/fof

Each input and calculated series in the Z.1 is identified according to a unique string of patterned numbers and letters. The series structure page of the guide provides a breakdown of what the letters and numbers represent in the series mnemonics. The relationships between different components of a series (for example, levels, seasonally adjusted annual rate flows, unadjusted flows, revaluations, other changes in volume, seasonal factors, and so on) are also described on the series structure page.

Production Schedule

The “Financial Accounts” are published online and in print four times per year, about 10 weeks following the end of each calendar quarter. The publication and the guide are available online:

www.federalreserve.gov/releases/Z1

This website provides coded tables and historical annual tables beginning in 1945 that correspond with the tables published in this release. It also includes compressed ASCII files of quarterly data for seasonally adjusted flows, unadjusted flows, outstandings, balance sheets, debt (tables D.1, D.2, and D.3), supplementary tables, and the IMA.

In addition, the data are available as customizable datasets through the Federal Reserve Board’s Data Download Program at:

www.federalreserve.gov/datadownload/default.htm

Print Subscription Information

The Federal Reserve Board charges a fee for subscriptions to print versions of statistical releases. Inquiries regarding print versions should be directed to the following office:

Publications Services, Stop 127
Board of Governors
of the Federal Reserve System
20th Street and Constitution Avenue, N.W.
Washington, DC 20551
(202) 452-3245

Description of Most Recent Data Available

Sector Table	Available at time of publication
National income and product accounts (NIPA) (various tables)	Second estimate, seasonally adjusted, for 2015:Q1. Unadjusted flows through 2013:Q4 for the government sectors.
Households and nonprofit organizations sector (tables F.101 and L.101)	Estimates for this sector are largely residuals and are derived from data for other sectors. Availability of data depends on schedules for other sectors. Data for consumer credit, which are estimated directly, are available through 2015:Q1. The source for nonprofit organizations data (tables F.101.a and L.101.a) is the Internal Revenue Service <i>Statistics of Income</i> (IRS/SOI). Data for nonprofit organizations are available for 1987 through 2000.
Nonfinancial corporate business (tables F.102 and L.102)	<i>Quarterly Financial Report</i> (QFR) of the Census Bureau through 2014:Q4 (preliminary); Internal Revenue Service <i>Statistics of Income</i> data through 2013; securities offerings, mortgages, bank loans, commercial paper, and other loans through 2015:Q1. Corporate farm data through 2013.
Nonfinancial noncorporate business (tables F.103 and L.103)	IRS/SOI data through 2012; bank and finance company loans, and mortgage borrowing through 2015:Q1. Noncorporate farm data through 2013.
Federal government (tables F.106 and L.106)	Data from the <i>Monthly Treasury Statement of Receipts and Outlays</i> and Treasury data for loan programs and the Troubled Assets Relief Program (TARP) through 2015:Q1.
State and local governments (tables F.107 and L.107)	Gross offerings and retirements of municipal securities, deposits at banks, and nonmarketable U.S. government security issues through 2015:Q1; total financial assets through 2013:Q2 from the Census Bureau; breakdown of financial assets through 2011:Q2 from the comprehensive annual financial reports of state and local governments.
Monetary authority (tables F.109 and L.109)	All data through 2015:Q1.
U.S.-chartered depository institutions (tables F.111 and L.111)	All data through 2015:Q1
Foreign banking offices in U.S. (tables F.112 and L.112)	All data through 2015:Q1.
Banks in U.S.-affiliated areas (tables F.113 and L.113)	All data through 2015:Q1.
Credit unions (tables F.113 and L.113)	All data through 2015:Q1.
Property-casualty insurance companies (tables F.115 and L.115)	Preliminary data through 2015:Q1.

Sector Table	Available at time of publication
Life insurance companies (tables F.116 and L.116)	Preliminary data through 2015:Q1.
Private pension funds (tables F.118 and L.118)	Internal Revenue Service/Department of Labor Form 5500 data through 2012. Investment Company Institute data through 2014:Q4.
Federal government retirement funds (tables F.119 and L.119)	Data from the <i>Monthly Treasury Statement of Receipts and Outlays</i> , the Thrift Savings Plan, and the National Railroad Retirement Investment Trust through 2015:Q1.
State and local government employee retirement funds (tables F.120 and L.120)	Detailed annual survey data through 2013:Q2 and quarterly survey data through 2014:Q4 from the Census Bureau. Investment Company Institute data through 2014:Q4.
Money market mutual funds (tables F.121 and L.121)	All data through 2015:Q1.
Mutual funds (tables F.122 and L.122)	All data through 2015:Q1.
Closed-end funds (tables F.123 and L.123)	All data through 2015:Q1.
Exchange-traded funds (tables F.123 and L.123)	All data through 2015:Q1.
Government sponsored enterprises (GSEs) (tables F.124 and L.124)	Data for Fannie Mae, Freddie Mac, Farmer Mac, FCS, and FHLB, FICO, and REFCORP through 2015:Q1.
Agency- and GSE-backed mortgage pools (tables F.125 and L.125)	Data for Fannie Mae, Freddie Mac, Farmer Mac, and Ginnie Mae through 2015:Q1.
Issuers of asset-backed securities (ABSs) (tables F.126 and L.126)	All data for private mortgage pools, consumer credit, business loans, student loans, consumer leases, and trade credit securitization through 2015:Q1.
Finance companies (tables F.127 and L.127)	All data through 2015:Q1.
Real estate investment trusts (REITs) (tables F.128 and L.128)	Data from SNL Financial through 2015:Q1.
Security brokers and dealers (tables F.129 and L.129)	Data for firms filing FOCUS and FOGS reports through 2015:Q1.
Holding companies (table F.130 and L.130)	All data through 2015:Q1.
Funding corporations (tables F.131 and L.131)	Estimates for this sector are largely residuals and are derived from data for other sectors.
Rest of the world (tables F.132 and L.132)	Balance of payments and International Investment Position data through 2014:Q4. NIPA estimates, bank Call Reports, and Treasury International Capital System data through 2015:Q1.

List of Data Tables

Title	Table	Page
Summaries		
Flow of Funds Matrix—Flows		1
Flow of Funds Matrix—Assets and Liabilities		2
Credit Market Debt Growth by Sector	D.1	3
Credit Market Borrowing by Sector	D.2	4
Credit Market Debt Outstanding by Sector	D.3	5
Total Credit Market Borrowing and Lending	F.1	6
Credit Market Borrowing by Nonfinancial Sectors	F.2	7
Credit Market Borrowing by Financial Sectors	F.3	7
Credit Market Borrowing, All Sectors, by Instrument	F.4	8
Total Liabilities and Its Relation to Total Financial Assets	F.5	8
Credit Market Debt Outstanding	L.1	9
Credit Market Debt Owed by Nonfinancial Sectors	L.2	10
Credit Market Debt Owed by Financial Sectors	L.3	10
Credit Market Debt, All Sectors, by Instrument	L.4	11
Total Liabilities and Its Relation to Total Financial Assets	L.5	11
Distribution of Gross Domestic Product	F.6	12
Distribution of National Income	F.7	13
Saving and Investment	F.8	14
Net Capital Transfers	F.9	15
Derivation of Measures of Personal Saving	F.10	16
Assets and Liabilities of the Personal Sector	L.10	17

Title	Flows		Levels	
	Table	Page	Table	Page
Sectors				
Domestic Nonfinancial	F.100	18	L.100	76
Households and Nonprofit Organizations	F.101	19	L.101	77
Nonfinancial Business	F.102	20	L.102	78
Nonfinancial Corporate Business	F.103	21	L.103	79
Nonfinancial Noncorporate Business	F.104	22	L.104	80

Sectors					
General Government	F.105	23	L.105	81	
Federal Government	F.106	24	L.106	82	
State and Local Governments	F.107	25	L.107	83	
Domestic Financial	F.108	26	L.108	84	
Monetary Authority	F.109	27	L.109	85	
Private Depository Institutions	F.110	28	L.110	86	
U.S.-Chartered Depository Institutions	F.111	29	L.111	87	
Foreign Banking Offices in U.S.	F.112	30	L.112	88	
Banks in U.S.-Affiliated Areas	F.113	31	L.113	89	
Credit Unions	F.114	31	L.114	89	
Property-Casualty Insurance Companies	F.115	32	L.115	90	
Life Insurance Companies	F.116	33	L.116	91	
Life Insurance Companies: General Accounts	F.116.g	34	L.116.g	92	
Life Insurance Companies: Separate Accounts	F.116.s	34	L.116.s	92	
Private and Public Pension Funds	F.117	35	L.117	93	
Private Pension Funds	F.118	36	L.118	94	
Private Pension Funds: Defined Benefit Plans	F.118.b	37	L.118.b	95	
Private Pension Funds: Defined Contribution Plans	F.118.c	37	L.118.c	95	
Federal Government Employee Retirement Funds	F.119	38	L.119	96	
Federal Government Employee Retirement Funds: Defined Benefit Plans	F.119.b	39	L.119.b	97	
Federal Government Employee Retirement Funds: Defined Contribution Plans	F.119.c	39	L.119.c	97	
State and Local Government Employee Retirement Funds	F.120	40	L.120	98	
State and Local Government Employee Retirement Funds: Defined Benefit Plans	F.120.b	41	L.120.b	99	
State and Local Government Employee Retirement Funds: Defined Contribution Plans	F.120.c	41	L.120.c	99	
Money Market Mutual Funds	F.121	42	L.121	100	
Mutual Funds	F.122	42	L.122	100	
Closed-End and Exchange-Traded Funds	F.123	42	L.123	100	
Government-Sponsored Enterprises	F.124	43	L.124	101	
Agency- and GSE-Backed Mortgage Pools	F.125	43	L.125	101	
Issuers of Asset-Backed Securities	F.126	44	L.126	102	
Finance Companies	F.127	44	L.127	102	

Sectors					
Real Estate Investment Trusts (REITs)	F.128	45	L.128	103	
Equity Real Estate Investment Trusts	F.128.e	46	L.128.e	104	
Mortgage Real Estate Investment Trusts	F.128.m	46	L.128.m	104	
Security Brokers and Dealers	F.129	47	L.129	105	
Holding Companies	F.130	48	L.130	106	
Funding Corporations	F.131	49	L.131	107	
Rest of the World	F.132	50	L.132	108	
Instruments					
U.S. Official Reserve Assets and SDR Allocations	F.200	51	L.200	109	
Special Drawing Rights (SDRs) Certificates and Treasury Currency	F.201	51	L.201	109	
U.S. Deposits in Foreign Countries	F.202	51	L.202	109	
Net Interbank Transactions	F.203	52	L.203	110	
Checkable Deposits and Currency	F.204	53	L.204	111	
Time and Savings Deposits	F.205	54	L.205	112	
Money Market Mutual Fund Shares	F.206	54	L.206	112	
Federal Funds and Security Repurchase Agreements	F.207	55	L.207	113	
Open Market Paper	F.208	56	L.208	114	
Treasury Securities	F.209	57	L.209	115	
Agency- and GSE-Backed Securities	F.210	58	L.210	116	
Municipal Securities and Loans	F.211	59	L.211	117	
Corporate and Foreign Bonds	F.212	60	L.212	118	
Corporate Equities	F.213	61	L.213	119	
Mutual Fund Shares	F.214	61	L.214	119	
Depository Institution Loans Not Elsewhere Classified	F.215	62	L.215	120	
Other Loans and Advances	F.216	63	L.216	121	
Total Mortgages	F.217	64	L.217	122	
Home Mortgages	F.218	65	L.218	123	
Multifamily Residential Mortgages	F.219	65	L.219	123	
Commercial Mortgages	F.220	66	L.220	124	
Farm Mortgages	F.221	66	L.221	124	
Consumer Credit	F.222	67	L.222	125	
Trade Credit	F.223	68	L.223	126	
Security Credit	F.224	68	L.224	126	
Life Insurance Reserves	F.225	68	L.225	126	

Instruments				
Pension Entitlements	F.226	69	L.226	127
Taxes Payable by Businesses	F.227	69	L.227	127
Proprietors' Equity in Noncorporate Business	F.228	69	L.228	127
Direct Investment	F.229	70	L.229	128
Total Miscellaneous Financial Claims	F.230	71	L.230	129
Identified Miscellaneous Financial Claims—Part I	F.231	72	L.231	130
Identified Miscellaneous Financial Claims—Part II	F.232	73	L.232	131
Unidentified Miscellaneous Financial Claims	F.233	74	L.233	132
Sector Discrepancies	F.11	75		
Instrument Discrepancies	F.12	75		

Title	Balance Sheet		Reconciliation	
	Table	Page	Table	Page
Balance Sheet and Changes in Net Worth				
Households and Nonprofit Organizations	B.101	133	R.101	136
Nonfinancial Corporate Business	B.103	134	R.103	137
Nonfarm Noncorporate Business	B.104	135	R.104	138

Title	Flows		Levels	
	Table	Page	Table	Page
Supplementary Tables				
Balance Sheet of Households and Nonprofit Organizations with Equity Detail			B.101.e	139
Nonprofit Organizations	F.101.a	140	L.101.a	141

Title	Table	Page
Integrated Macroeconomic Accounts for the United States		
Total Economy—Current Account	S.1.a	142
Selected Aggregates for Total Economy and Sectors	S.2.a	143
Households and Nonprofit Institutions Serving Households	S.3.a	145
Nonfinancial Noncorporate Business	S.4.a	148
Nonfinancial Corporate Business	S.5.a	151
Financial Business	S.6.a	154
Federal Government	S.7.a	157
State and Local Governments	S.8.a	160
Rest of the World	S.9.a	163