

November 19, 2021

Ms. Nora Kincaid
BLS Clearance Officer
Division of Management Systems
Bureau of Labor Statistics
Room 4080
2 Massachusetts Avenue, NE
Washington, DC 20212

RE: Federal Register notice of November 1, 2021, for the Bureau of Labor Statistics' International Price Program (OMB Number: 1220-0025)

Dear Ms. Kincaid:

The Bureau of Economic Analysis (BEA) strongly supports the continuation of the Bureau of Labor Statistics' (BLS) International Price Program (IPP). This important survey is our only data source for several key components of BEA's economic statistics.

Information from the IPP on international price indexes is critical in preparing "real" estimates of most components of exports and imports of goods, imports of equipment and software, and imports in inventories in the national income and product accounts (NIPA's). The indexes available for services are used to prepare estimates of real exports and imports of services.

Also, the end-use import price indexes are used to prepare annual estimates of real gross domestic product by industry. These prices are vital for accurately measuring the price change of imported inputs that go into the U.S. production process. The attached table provides an overview of BEA's use of these IPP Indexes.

Please keep BEA informed concerning any modifications to this form. We are particularly interested in any modifications proposed during the forms' approval process that would substantially affect our use of these data. For additional information, please contact Tiffany Burrell, Source Data Coordinator, at 301-278-9618 or by e-mail at Tiffany.Burrell@bea.gov. Should you need assistance in justifying this form to the Office of Management and Budget, please do not hesitate to contact BEA.

Sincerely,

Dennis J. Fixler
Chief Economist

Attachment

ATTACHMENT

BEA's Use of the IPP Indexes

| BEA Account Area | IPP Index | BEA's Use |
|---|---------------------------------|---|
| International Economic Accounts (Balance of Payments) | Export and Import Price Indexes | To prepare projections of U.S. international goods trade for the advance GDP estimates, and in analyses of trends in goods trade for internal use and publication in the Bureau of Economic Analysis' Survey of Current Business. |
| National Economic Accounts | Over 250 IPP Indexes | <p>To deflate private investment in equipment, the change in private inventories, and exports and imports.</p> <p>To prepare annual estimates of real gross domestic product by industry for the following types of products:</p> <ul style="list-style-type: none"> • Foods, feeds, beverages, tobacco, live animals • Industrial supplies and materials • Consumer and capital goods • Petroleum • Automotive vehicles, parts and engines • Crude materials and related products • Chemicals and related products • Manufactured goods • Machinery and transport equipment |