

U.S. TRADE DEVELOPMENTS

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The U.S. Department of Commerce (*Commerce News*, FT-900 (01-03)) reported that seasonally adjusted total exports of goods and services of \$89.5 billion and imports of \$120.6 billion in March 2001 resulted in a goods and services trade deficit of \$31.2 billion, \$4.3 billion more than the \$26.9 billion in February. March 2001 exports of goods and services were \$0.9 billion less than February 2001 exports of \$90.4 billion. March imports of goods and services were \$3.4 billion more than the February imports of \$117.2 billion.

March 2001 merchandise exports decreased to \$64.1 billion from \$65.2 billion in February 2001. Merchandise imports increased to \$101.7 billion from \$98.4 billion, causing the merchandise trade deficit to increase in March by \$4.4 billion from February to \$37.6 billion from \$33.2 billion in February. For services, exports increased to \$25.4 billion from \$25.2 billion, and imports of services increased to \$18.9 billion from \$18.8 billion resulting in a surplus of 6.5 billion about \$0.1 billion higher than the \$6.4 billion in February.

Exports of merchandise goods in February-March 2001 reflected decreases in capital goods; and "other goods" (a statistical category). Increases occurred in exports of automotive vehicles, parts, and engines; industrial supplies and materials; and foods, feeds, and beverages. Consumer goods were virtually unchanged. Imports of goods reflected increases in consumer goods; capital goods; and automotive vehicle parts and engines. Decreases occurred in other goods; and foods, feeds and beverages. Industrial supplies and materials were virtually unchanged. Additional information on U.S. trade developments in agriculture and specified manufacturing sectors, in February-March 2001, are highlighted in tables 1 and 2 and figures 1 and 2. Services trade developments are highlighted in table 3.

In March 2001, exports of advanced technology products were \$20.6 billion and imports of the same were \$18.6 billion, resulting in a March of \$2.0 billion, about the same as February surplus. The March 2001

¹ The views and conclusions expressed in this article are those of the author. They are not necessarily the views of the U.S. International Trade Commission as a whole or of any individual Commissioner.

trade data showed U.S. surpluses with Australia, Argentina, Brazil, Egypt, Singapore and Hong Kong. Deficits were recorded with Japan, China, Western Europe, Canada, Mexico, Korea, Taiwan, and OPEC member countries.

The export of goods and services during January-March 2001 increased to \$269.4 billion, up from \$255.9 billion during January-March 2000, an increase of 5.3 percent. However, imports of goods and services increased to \$360.7 billion, up from \$341.2 billion during the same period, an increase of 5.7 percent. As a consequence, the trade deficit increased to \$91.3 billion for the January-March period, up from \$85.3 billion during January-March 2000, an increase of 7.0 percent.

The export of goods during January-March 2001, increased to \$193.9 billion from \$183.7 billion during the same 2000 period, an increase of 5.6 percent, but imports of goods rose to \$304.2 billion, up from \$289.7 billion in January-March 2000, an increase of 5.0 percent. Consequently, the merchandise trade deficit rose to \$110.4 billion from \$106.0 billion, a 4.2-percent increase. Regarding trade in services, exports in January-March 2001, increased to \$75.6 billion up from \$72.3 billion in the same period of 2000, an increase of 4.6 percent. Imports of services rose to \$56.5 billion, up from \$51.5 billion, an increase of 9.7 percent. The surplus on trade in services decreased to \$19.1 billion from \$20.8 billion.

The January-March 2001 exports of advanced technology products rose to \$57.2 billion up from \$51.5 billion in January-March 2000, an increase of 11.1 percent. Imports rose to \$52.4 billion from \$47.8, in the same period, an increase of 9.6 percent. The trade surplus increased to \$4.8 billion from \$3.8 billion in January-March 2001, an increase of 26.3 percent.

The January-March 2001 trade data in goods and services showed trade deficits with Canada, Mexico, Western Europe, the Euro area (EU-11), the European Union (EU-15), EFTA, Eastern Europe, China, Japan, Korea, Singapore, Taiwan, and OPEC. Trade surpluses were recorded with Belgium, the Netherlands, Spain, Australia, Argentina, Brazil, Hong Kong, and Egypt. U.S. trade developments with major trading partners are highlighted in table 4.

Table 1
U.S. trade in goods and services, seasonally adjusted, Feb.-Mar. 2001
(Billion dollars)

Item	Exports		Imports		Trade balance	
	Mar. 2001	Feb. 2001	Mar. 2001	Feb. 2001	Mar. 2001	Feb. 2001
Trade in goods (see note) <i>(Current dollars)</i>						
Including oil	64.1	65.2	101.7	98.4	-37.6	-33.2
Excluding oil	64.0	65.1	92.1	88.3	-28.1	-23.2
Trade in services <i>(Current dollars)</i>						
Trade in goods and services						
<i>Current dollars</i>	89.5	90.4	120.6	117.3	-31.1	-26.9
Trade in goods (Census basis)						
<i>(1996 dollars)</i>	70.7	72.0	109.0	105.2	-38.3	-33.2
Advanced technology products						
(not seasonally adjusted)	20.6	18.1	18.6	16.2	2.0	1.9

Note.—Data on goods trade are presented on a balance-of-payments (BOP) basis that reflects adjustments for timing, coverage, and valuation of data compiled by the Census Bureau. The major adjustments on BOP basis exclude military trade, but include nonmonetary gold transactions and estimates of inland freight in Canada and Mexico not included in the Census Bureau data. Data may not add to totals shown because of rounding details.

Source: Compiled from U.S. Department of Commerce, "Exhibit 1. U.S. International Trade in Goods and Services," "Exhibit 16. Exports, Imports and Balance of Advanced Technology Products," FT-900 (01-03), Mar. 2001, found at Internet address <http://www.bea.doc.gov/bea/newsrel/trad0301.htm>.

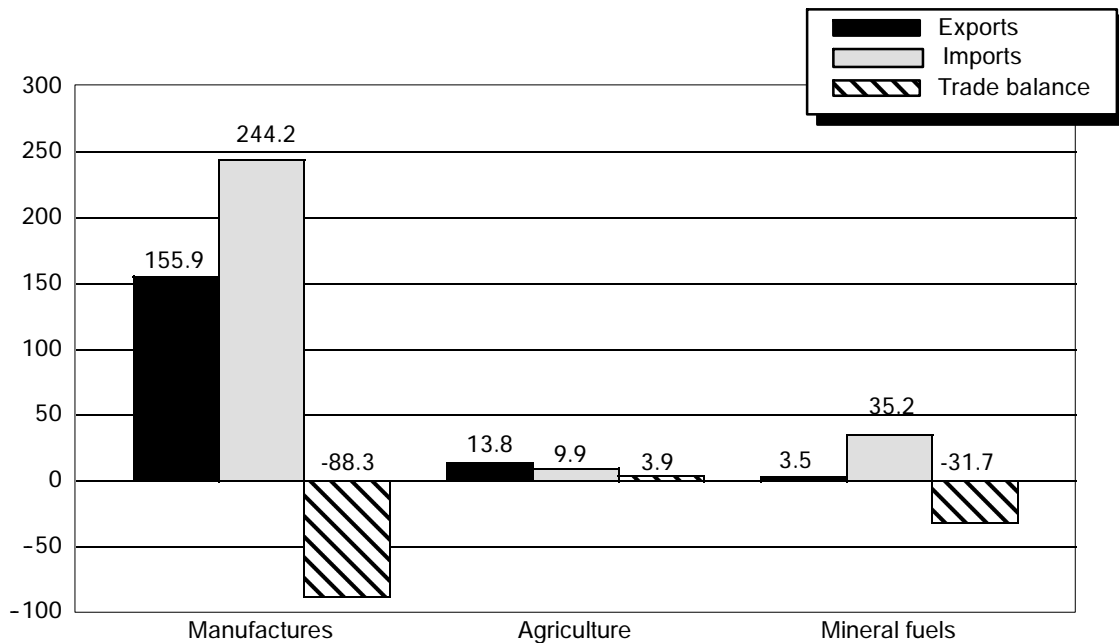
Table 2
Nonimal U.S. exports and trade balances, agriculture and specified manufacturing sectors, Jan. 2000-Mar. 2001

	<u>Exports</u>		<u>Imports</u>	<u>Exports</u>		<u>Imports</u>		Change in exports, Jan.-Mar. 2001 over Jan.-Mar. 2000	Share of total exports, Jan.-Mar. 2001	<u>Trade balance</u>	
	Mar. 2001	Jan.-Mar. 2001	Jan.-Mar. 2001	Jan.-Mar. 2000	Jan.-Mar. 2000	Jan.-Mar. 2000	Jan.-Mar. 2000			Jan.-Mar. 2001	Jan.-Mar. 2000
	<i>Billion dollars</i>						<i>Percentage</i>		<i>Billion dollars</i>		
ADP equipment and office machinery	4.3	11.6	20.3	10.9	20.7	6.4	5.9	-8.7	-9.8		
Airplanes	3.0	7.0	3.7	5.7	2.3	22.8	3.6	3.3	3.4		
Airplane parts	1.5	4.1	1.6	3.6	1.3	13.9	2.1	2.5	2.3		
Electrical machinery	7.3	21.5	24.6	20.0	24.4	7.5	11.0	-3.1	-4.4		
General industrial machinery	3.1	8.7	8.9	8.0	8.7	8.8	4.4	-0.2	-0.7		
Iron and steel mill products	0.5	1.5	3.0	1.4	3.9	7.1	0.8	-1.5	-2.5		
Inorganic chemicals	0.6	1.5	1.7	1.3	1.4	15.4	0.8	-0.2	-0.1		
Organic chemicals	1.6	4.6	8.2	4.3	6.3	7.0	2.3	-3.6	-2.0		
Power-generating machinery	2.9	8.2	9.2	8.1	8.6	1.2	4.2	-1.0	-0.5		
Scientific instruments	2.9	7.9	5.6	7.0	4.9	12.9	4.0	2.3	2.1		
Specialized industrial machinery	2.5	7.6	5.7	7.2	5.6	5.6	3.9	1.9	1.6		
Televisions, VCRs, etc	2.3	6.5	15.1	6.3	14.2	3.2	3.3	-8.6	-7.9		
Textile yarns, fabrics and articles	1.0	2.7	3.6	2.5	3.7	8.0	1.4	-0.9	-1.2		
Vehicles	5.0	13.1	39.5	14.9	41.0	-12.1	6.7	-26.4	-26.1		
Subtotal	38.5	106.5	150.7	101.2	147.0	5.2	54.3	-44.2	-45.8		
Other manufactures exports not included above	17.7	49.4	93.5	47.8	89.3	3.3	25.2	-44.1	-41.5		
Total manufactures	56.2	155.9	244.2	149.0	236.3	4.6	79.5	-88.3	-87.3		
Agriculture	4.9	13.8	9.9	13.0	9.8	6.2	7.0	3.9	3.2		
Subtotal	61.1	169.7	254.1	162.0	246.1	4.8	86.6	-84.4	-84.1		
Other exports, not included above	9.5	26.3	41.5	25.3	36.2	4.0	13.4	-15.2	-10.9		
Total	70.6	196.0	295.6	187.3	282.3	4.6	100.0	-99.6	-95.0		

Note.— Data may not add to totals shown because of rounding details. Data are presented on a Census basis.

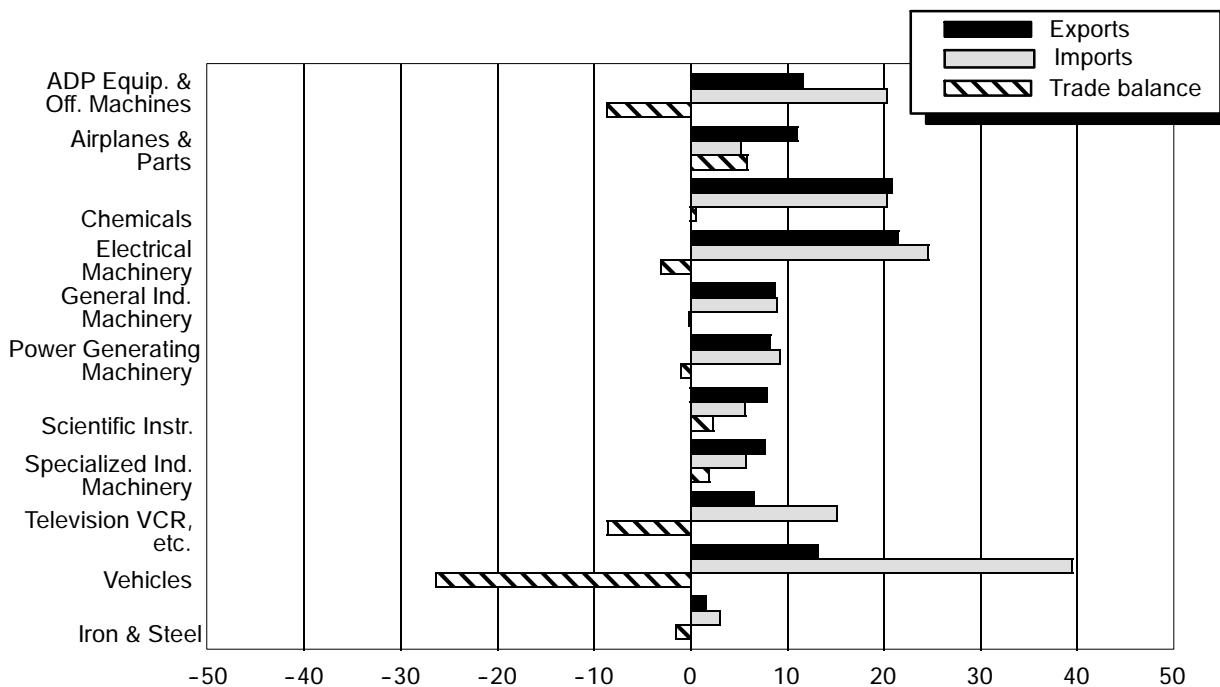
Source: Compiled from U.S. Department of Commerce, "Exhibit 15. Exports and Imports of Goods by Principal SITC Commodity Groupings," FT-900 (01-03), Mar. 2001, found at Internet address <http://www.bea.doc.gov/bea/newsrel/trad0301.htm>.

Figure 1
U.S. trade by major commodity, billion dollars, Jan.-Mar. 2001



Source: U.S. Department of Commerce, FT 900 (01-03).

Figure 2
U.S. trade in principal goods, billion dollars, Jan.-Mar. 2001



Source: Compiled from U.S. Department of Commerce, "Exhibit 15. Exports and Imports of Goods by Principal SITC Commodity Groupings," FT-900 (01-03), Mar. 2001, found at Internet address <http://www.bea.doc.gov/bea/newsrel/trad0301.htm>.

Table 3
Nominal U.S. exports and trade balances of services, by sectors, Jan. 2000—Mar. 2001, seasonally adjusted

Service sector	Exports		Change	Imports		Trade balance	
	Jan.-Mar.	Jan.-Mar.	Jan.-Mar.	Jan.-Mar.	Jan.-Mar.	Jan.-Mar.	Jan.-Mar.
	2001	2000	2001 over 2000	2001	2000	2001	2000
	<i>Billion dollars</i>		<i>Percentage</i>	<i>Billion dollars</i>			
Travel	22.1	20.5	7.8	17.1	15.8	5.0	4.7
Passenger fares	5.4	5.1	5.9	6.5	5.8	-1.1	-0.7
Other transport services	7.3	7.3	0.0	10.4	9.6	-3.1	-2.3
Royalties and license fees	9.8	9.4	4.3	4.3	3.6	5.5	5.8
Other private sales	27.2	26.4	3.0	13.8	12.7	13.4	13.7
Transfers under U.S. military sales contracts	3.6	3.6	0.0	3.6	3.3	0.0	0.3
U.S. Government miscellaneous services	0.2	0.2	0.0	0.7	0.7	-0.5	-0.5
Total	75.6	72.3	4.6	56.5	51.5	19.1	20.8

Note.—Services trade data are on a balance-of-payments (BOP) basis. Data may not add to totals shown because of rounding details and seasonal adjustments.

Source: Compiled from U.S. Department of Commerce, "Exhibit 3. U.S. Services by Major Category — Exports," FT-900 (01-03), Mar. 2001, found at Internet address <http://www.bea.doc.gov/bea/newsrel/trad0301.htm>.

Table 4
U.S. exports and imports of goods with major trading partners, Jan. 2000-Mar. 2001

(Billion dollars)

Country/areas	Exports			Imports			Trade balance	
	Mar. 2001	Jan.-Mar. 2001	Jan.-Mar. 2000	Mar. 2001	Jan.-Mar. 2001	Jan.-Mar. 2000	Jan.-Mar. 2001	Jan.-Mar. 2000
Total	70.6	196.0	187.3	103.2	295.6	282.3	-99.6	-95.0
North America	24.8	69.5	71.5	31.9	90.4	88.1	-20.9	-16.6
Canada	15.6	42.7	45.6	19.8	57.3	56.4	-14.6	-10.8
Mexico	9.2	26.8	25.9	12.0	33.1	31.6	-6.3	-5.7
Western Europe	17.3	48.6	44.4	21.9	62.2	57.3	-13.6	-12.9
Euro Area	10.9	31.2	27.3	15.3	42.7	38.6	-11.5	-11.3
European Union (EU-15)	15.3	43.7	39.4	20.1	57.1	52.5	-13.4	-13.1
France	2.0	5.7	4.8	3.3	8.2	7.0	-2.5	-2.2
Germany	2.9	8.4	7.0	5.4	15.1	14.3	-6.7	-7.3
Italy	1.0	2.8	2.5	2.2	6.2	5.9	-3.4	-3.4
Netherlands	1.9	5.6	5.3	0.9	2.4	2.4	3.2	2.9
United Kingdom	3.7	10.6	10.2	3.7	11.1	10.6	-0.5	-0.4
Other EU	1.1	3.3	2.8	1.9	5.7	4.3	-2.4	-1.5
EFTA ¹	1.4	3.8	3.8	1.4	4.1	3.9	-0.3	-0.1
FSR/Eastern Europe	0.6	1.7	1.7	1.8	4.4	4.0	-2.7	-2.3
Russia	0.2	0.6	0.8	1.1	2.3	2.1	-1.7	-1.3
Pacific Rim Countries	18.1	49.7	46.4	32.9	95.6	93.0	-45.9	-46.6
Australia	1.0	2.8	3.0	0.5	1.5	1.4	1.3	1.6
China	1.9	4.4	3.2	7.6	22.4	20.0	-18.0	-16.8
Japan	5.9	16.4	15.7	12.1	34.7	34.8	-18.3	-19.1
NICs ²	7.0	20.0	19.1	8.4	24.8	24.9	-4.8	-5.8
Latin America	5.3	14.8	13.5	6.2	18.3	17.6	-3.5	-4.1
Argentina	0.4	1.2	1.1	0.3	0.8	0.8	0.4	0.3
Brazil	1.4	3.9	3.2	1.2	3.6	3.2	0.3	0.0
OPEC	2.3	5.4	4.7	5.6	16.2	14.8	-10.8	-10.1
Other Countries	2.9	8.5	7.3	5.4	15.9	14.8	-7.4	-7.5
Egypt	0.5	0.9	0.9	0.1	0.2	0.2	0.7	0.7
South Africa	0.3	0.8	0.6	0.3	1.1	0.8	-0.3	-0.2
Other	2.2	6.8	5.7	4.9	14.6	13.8	-7.8	-8.1

¹ The European Free Trade Area (EFTA) includes Iceland, Liechtenstein, Norway, and Switzerland.

² The newly industrializing countries (NICs) include Hong Kong, the Republic of Korea, Singapore, and Taiwan. FSR = Former Soviet Republics.

Note.—Country/area figures may not add to the totals shown because of rounding. Exports of certain grains, oilseeds, and satellites are excluded from country/area exports but included in total export table. Also some countries are included in more than one area. Data are presented on a Census Bureau basis.

Source: Compiled from U.S. Department of Commerce, "Exhibit 14. Exports, Imports and Balance of Goods by Selected Countries and Geographic Areas," FT-900 (01-03), Mar. 2001, found at Internet address <http://www.bea.doc.gov/bea/newsrel/trad0301.htm>.