

U.S. TRADE DEVELOPMENTS

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The U.S. Department of Commerce reported that seasonally adjusted total exports of goods and services of \$83.7 billion and imports of \$112.6 billion in July 2001 resulted in a goods and services trade deficit of \$28.8 billion; this was \$0.2 billion less than the \$29.1 billion in June 2001.² July 2001 exports of goods and services were \$83.7 billion, or \$2.2 billion less than June 2001 exports of \$85.9 billion. July imports of goods and services were \$112.6 billion or \$2.4 billion less than June imports of \$115.0 billion.

July 2001 merchandise exports decreased to \$58.8 billion from \$60.8 billion in June 2001. Merchandise imports decreased to \$94.2 billion from \$96.4 billion, causing the merchandise trade deficit to decrease in July by \$0.1 billion to \$35.4 billion from \$35.5 billion in June. For services, exports decreased to \$24.9 billion from \$25.1 billion, imports of services were \$18.3 billion down from \$18.6 billion resulting in a surplus of \$6.6 billion slightly higher than \$6.5 billion surplus in June.

Exports of merchandise goods in June-July 2001 reflected decreases in capital goods, industrial supplies and materials, automotive vehicles, parts, and engines, and the statistical category "Other Goods." An increase occurred in consumer goods. Foods, feeds, and beverages were virtually unchanged. Imports of goods reflected decreases in industrial supplies and materials, capital goods, automotive vehicles, parts and engines, and consumer goods. Increases occurred in foods, feeds, and beverages, and in the "Other Goods" category. Additional information on U.S. trade developments in agriculture and specified manufacturing sectors in June-July 2001 are highlighted in tables 1 and 2 and figures 1 and 2. Services trade developments are highlighted in table 3.

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

² Data for this article was taken largely from U.S. Department of Commerce, Bureau of Economic Analysis, "U.S. International Trade in Goods and Services," *Commerce News*, FT-900, August 2001, found at <http://www.census.gov/foreign-trade/www/press.html#current>, retrieved Sept.19, 2001, as well as <http://www.bea.doc.gov/bea/news-rel/>.

In July 2001, exports of advanced technology products were \$15.1 billion and imports of the same were \$16.5 billion, resulting in a deficit of \$1.4 billion, following a surplus of \$1.1 billion in June. The July 2001 trade data showed U.S. surpluses with Australia, Argentina, Brazil, Egypt, Hong Kong and Singapore. Deficits were recorded with Japan, China, Western Europe, Canada, Mexico, Korea, Taiwan, and OPEC member countries.

The export of goods and services during January-July 2001 increased to \$613.4 billion, up from \$612.6 billion during January-July 2000. However, imports of goods and services increased to \$826.0 billion, up from \$822.7 billion during the same period. As a consequence, the trade deficit increased to \$212.6 billion for the January-July 2001 period, up from \$210.1 billion during January-July 2000, an increase of \$2.5 billion.

The export of goods during January-July 2001 decreased to \$439.6 billion from \$441.8 billion during the same 2000 period, a decrease of \$2.2 billion, and imports of goods were \$695.2 billion, down from \$699.0 billion in January-July 2000. Consequently, the merchandise trade deficit declined to \$255.6 billion from \$257.2 billion. Regarding trade in services, exports in January-July 2001 increased to \$173.7 billion, up from \$170.8 billion in the same period of 2000, an increase of \$2.9 billion. Imports of services rose to \$130.8 billion up from \$123.8 billion, an increase of \$7.0 billion. The surplus on trade in services decreased to \$42.9 billion in January-July 2001 from \$47.0 billion in the same period in 2000.

The January-July 2001 exports of advanced technology products declined to \$123.8 billion from \$126.8 billion in January-June 2000. Imports declined to \$116.9 billion in January -July 2001 from \$119.7 billion in the same period of 2000. The trade surplus decreased to \$6.8 billion in January-July 2001 from \$7.1 billion in January-July 2000.

The January-July 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, Taiwan, and OPEC. Trade surpluses were recorded with Belgium, the Netherlands, Spain, Australia, Argentina, Brazil, 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, June-July 2001

(Billion dollars)

Item	Exports		Imports		Trade balance	
	July 2001	June 2001	July 2001	June 2001	July 2001	June 2001
Trade in goods (Current dollars) (see note)						
Including oil	58.8	60.8	94.2	96.4	-35.4	-35.6
Excluding oil	59.0	60.8	85.4	86.5	-26.4	-25.6
Trade in services (Current dollars)	24.9	25.0	18.3	18.6	6.6	6.5
Trade in goods and services (Current dollars)	83.7	85.9	112.6	115.0	-28.8	-29.1
Trade in goods (1996 dollars) (Census basis)	65.0	67.0	102.1	103.0	-37.2	-36.1
Advanced technology products (not seasonally adjusted) . .	15.1	17.7	16.5	16.6	-1.4	1.1

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: Calculated from data from U.S. Department of Commerce, "Exhibit 1. U.S. International Trade in Goods and Services," "Exhibit 9. Petroleum and Non-Petroleum End-Use Category Totals," "Exhibit 10. Exports and Imports of Goods by Principal End-Use Category (Constant Dollars Basis), 1996 Constant Dollar Basis," "Exhibit 16. Exports, Imports and Balance of Advanced Technology Products," FT-900 (01-07), Sept. 19, 2001, found at Internet address <http://www.census.gov/foreign-trade/www/press.html#current>.

Table 2

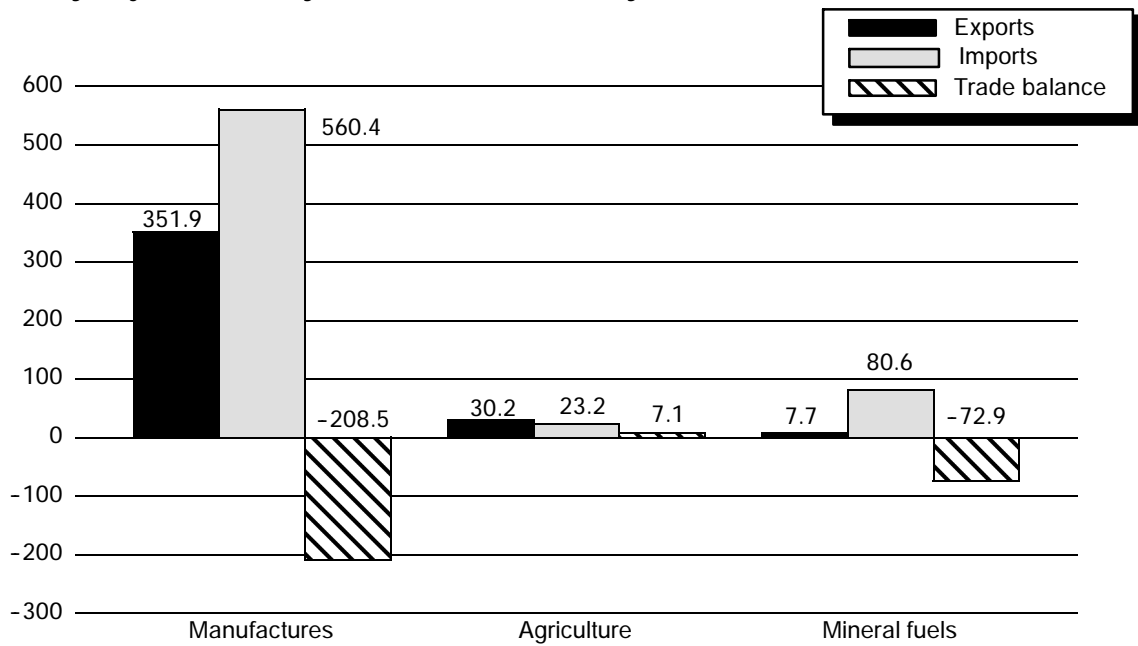
Nominal U.S. exports and trade balances, agriculture and specified manufacturing sectors, Jan. 2000-July 2001

	Exports		Imports		Exports		Imports		Trade balance	
	July 2001	Jan.-July 2001	Jan.-July 2001	Jan.-July 2000	Jan.-July 2000	Jan.-July 2000	Change in exports, Jan.-July 2001 over Jan.-July 2000	Share of total exports, Jan.-July 2001	Jan.-July 2001	Jan.-July 2000
	<i>Billion dollars</i>						<i>Percent</i>		<i>Billion dollars</i>	
ADP equipment & office machinery	2.9	24.3	45.3	25.7	50.8	-5.2	5.5	-21.0	-25.2	
Airplane parts	1.4	9.5	3.8	8.6	3.2	9.9	2.1	5.7	5.5	
Airplanes	1.6	16.4	8.6	14.9	6.2	10.5	3.7	7.9	8.6	
Chemicals - inorganic	0.5	3.6	3.8	3.0	3.4	18.7	0.8	-0.2	-0.4	
Chemicals - organic	1.3	10.0	17.9	10.3	15.7	-3.6	2.3	-8.0	-5.3	
Electrical machinery	5.3	45.2	51.8	49.7	59.9	-9.1	10.2	-6.7	-10.2	
General industrial machinery	2.5	19.6	20.4	19.1	20.7	2.3	4.4	-0.9	-1.6	
Iron & steel mill products	0.4	3.2	7.3	3.3	9.8	-1.6	0.7	-4.0	-6.5	
Power-generating machinery	2.4	19.6	21.3	18.9	19.8	3.6	4.4	-1.7	-0.9	
Scientific instruments	2.1	17.6	12.8	17.1	12.1	2.7	4.0	4.8	5.1	
Specialized industrial machinery	2.2	16.5	12.5	17.7	13.6	-7.2	3.7	4.0	4.2	
Televisions, VCRs, etc	1.9	14.7	35.2	15.6	36.9	-6.0	3.3	-20.5	-21.3	
Textile yarns, fabrics and articles	0.7	6.1	8.7	6.1	9.0	0.1	1.4	-2.6	-2.9	
Vehicles	3.0	31.2	90.9	34.1	92.9	-8.4	7.1	-59.6	-58.9	
Subtotal	28.3	237.3	340.2	244.1	353.9	-2.8	53.8	-102.9	-109.8	
Other manufactures exports not included above	15.2	114.6	220.2	113.3	216.5	1.2	26.0	-105.6	-103.2	
Manufactures	43.4	351.9	560.4	357.3	570.4	-1.5	79.7	-208.5	-213.1	
Agriculture	3.9	30.2	23.2	28.8	23.3	5.0	6.8	7.1	5.5	
Subtotal	47.4	382.2	583.6	386.1	593.7	-1.0	86.6	-201.5	-207.6	
Other exports, not included above	7.5	59.3	96.9	57.7	91.1	2.9	13.4	-37.5	-33.4	
Total	54.9	441.5	680.5	443.8	684.8	-0.5	100.0	-239.0	-241.0	

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

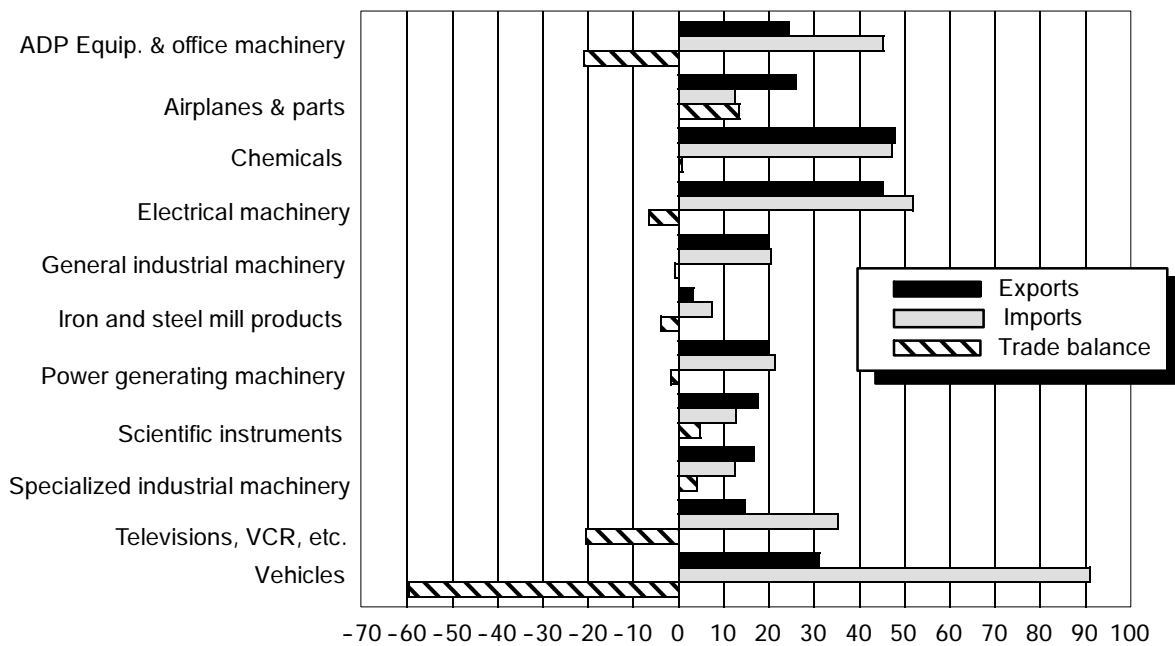
Source: Calculated from data from U.S. Department of Commerce, "Exhibit 15. Exports and Imports of Goods by Principal SITC Commodity Groupings," FT-900 (01-07), Sept. 19, 2001, found at Internet address <http://www.census.gov/foreign-trade/www/press.html#current>.

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



Source: Calculated from data from U.S. Department of Commerce, "Exhibit 15. Exports and Imports of Goods by Principal SITC Commodity Groupings," FT-900 (01-07), Sept.19, 2001, found at Internet address <http://www.census.gov/foreign-trade/www/press.html#current>.

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



Source: Calculated from data from U.S. Department of Commerce, "Exhibit 15. Exports and Imports of Goods by Principal SITC Commodity Groupings," FT-900 (01-07), Sept 19, 2001, found at Internet address <http://www.census.gov/foreign-trade/www/press.html#current>.

Table 3

Nominal U.S. exports and trade balances of services, by sectors, Jan. 2000-July 2001, seasonally adjusted

Service sector	Exports			Imports		Trade balances	
	Jan.-July 2001	Jan.-July 2000	Change Jan.-July 2001 over Jan.-July 2000	Jan.-July 2001	Jan.-July 2000	Jan.-July 2001	Jan.-July 2000
	<i>Billion dollars</i>		<i>Percentage</i>	<i>Billion dollars</i>		<i>Billion dollars</i>	
Travel	48.4	48.2	0.3	37.7	37.9	10.7	10.3
Passenger fares	11.8	12.1	-2.3	14.6	14.0	-2.8	-1.9
Other transportation services	16.9	17.5	-3.2	23.4	23.2	-6.5	-5.8
Royalties and license fees	22.7	22.0	2.9	9.6	8.6	13.1	13.4
Other private sales	65.3	62.0	5.3	35.6	30.4	29.7	31.6
Transfers under U.S. military sales contracts	8.2	8.5	-3.8	8.2	7.8	-0.0	0.7
U.S. Government miscellaneous services	0.5	0.5	6.9	1.7	1.7	-1.2	-1.2
Total	173.7	170.8	6.1	130.8	123.7	42.9	47.0

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," "Exhibit 4. U.S. Services by Major Category — Imports," FT-900 (01-07), Sept. 19, 2001, found at Internet address <http://www.census.gov/foreign-trade/www/press.html#current>.

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

(Billion dollars)

	Exports				Imports		Trade balances	
	July 2001	Jan.-July 2001	Jan.-July 2000	July 2001	Jan.-July 2001	Jan.-July 2000	Jan.-July 2001	Jan.-July 2000
Total	54.9	441.4	443.8	94.9	680.5	684.8	-239.0	-241.0
North America	19.5	158.8	167.2	27.1	209.3	208.6	-50.5	-41.4
Canada	11.7	99.1	104.5	16.5	132.2	132.2	-33.1	-27.7
Mexico	7.7	59.7	62.7	10.6	77.1	76.4	-17.4	-13.7
Western Europe	12.3	107.6	103.4	20.9	144.6	137.2	-37.1	-33.8
Euro Area	7.9	67.4	65.7	14.7	99.7	92.6	-32.4	-26.9
European Union (EU-15)	11.5	96.6	93.4	19.3	132.5	125.1	-36.0	-31.7
France	1.2	11.9	11.5	2.7	18.5	16.9	-6.6	-5.4
Germany	2.5	18.4	16.9	5.2	35.7	33.5	-17.3	-16.6
Italy	0.7	5.9	6.1	2.2	14.4	14.3	-8.5	-8.2
Netherlands	1.3	11.8	12.2	0.7	5.7	5.6	6.2	6.6
United Kingdom	3.1	25.3	23.4	3.5	25.2	24.9	0.1	-1.5
Other EU	0.8	6.9	6.8	2.2	13.9	11.5	-7.0	-4.7
EFTA ¹	0.6	8.4	7.1	1.2	9.6	9.6	-1.2	-2.5
Eastern Europe/FSR	0.5	4.1	3.2	1.1	8.7	9.0	-4.7	-5.8
Russia	0.3	1.6	1.2	0.5	4.1	4.3	-2.5	-3.1
Pacific Rim Countries	14.2	109.4	114.4	31.6	218.5	230.9	-109.1	-116.5
Australia	0.9	6.3	7.4	0.6	3.7	3.6	2.7	3.8
China	1.5	10.6	8.9	9.0	55.2	52.6	-44.6	-43.7
Japan	4.3	35.7	36.6	10.3	76.1	83.9	-40.4	-47.3
NICs ²	5.9	43.4	48.0	7.7	55.5	61.6	-12.1	-13.6
Latin America	5.0	35.2	33.1	5.7	41.2	41.7	-6.0	-8.7
Argentina	0.3	2.6	2.6	0.2	1.8	1.7	0.9	0.9
Brazil	1.4	9.6	8.2	1.2	8.3	8.0	1.3	0.2
OPEC	1.7	12.2	10.2	5.3	38.1	37.0	-25.9	-26.9
Other Countries	2.4	19.1	16.7	5.5	36.3	36.4	-17.3	-19.7
Egypt	0.4	2.0	2.0	0.1	0.6	0.5	1.4	1.5
South Africa	0.2	1.8	1.7	0.4	2.7	2.4	-0.9	-0.7
Other	1.8	15.3	13.1	5.0	33.0	33.5	-17.8	-20.4

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: Calculated from data from U.S. Department of Commerce, "Exhibit 14. Exports, Imports and Balance of Goods by Selected Countries and Geographic Areas," FT-900 (01-07), Sept. 19, 2001, found at Internet address <http://www.census.gov/foreign-trade/www/press.html#current>.