

U.S. Trade Developments

Michael Youssef¹
myoussef@usitc.gov
202-205-3269

The U.S. Department of Commerce reported that seasonally adjusted total exports of goods and services of \$80.1 billion and imports of \$116.0 billion in April 2002 resulted in a goods and services trade deficit of \$35.9 billion; this was \$3.5 billion more than the \$32.5 billion deficit in March 2002.² April imports of goods and services at \$116.0 billion were \$5.2 billion more than March imports of \$110.9 billion.

April 2002 merchandise exports increased to \$56.9 billion from \$55.0 billion in March 2002. Merchandise imports increased to \$96.8 billion from \$91.6 billion, causing the merchandise trade deficit to increase by \$3.3 billion in April to \$39.9 billion from \$36.6 billion in March 2002. For services, exports decreased to \$23.2 billion in April from \$23.4 billion in March. Imports of services decreased to \$19.2 billion in April from \$19.3 billion in March, resulting in a current account trade surplus in April of about \$4.0 billion, nearly \$0.2 billion lower than the \$4.1 billion surplus in March 2002.

Changes in merchandise exports in March-April 2002 reflected increases in industrial supplies and materials (\$0.8 billion); automotive vehicles, parts, and engines (\$0.4 billion); consumer goods (\$0.3 billion); and the statistical category "other goods" (\$0.1 billion). Capital goods; and foods, feeds, and beverages were virtually unchanged.

Imports of goods reflected increases in industrial supplies and materials (\$3.0 billion); consumer goods (\$1.3 billion); automotive vehicles, parts, and engines (\$0.8 billion); capital goods (\$0.4 billion); and foods, feeds, and beverages (\$0.1 billion). A decrease occurred in "other goods" (\$0.3 billion). Additional information on U.S. trade developments in agriculture

and specified manufacturing sectors in March-April 2002 are highlighted in tables 1 and 2, and figures 1 and 2. Services trade developments are highlighted in table 3.

In April 2002, exports of advanced technology products were \$14.4 billion and imports of the same were \$15.5 billion, resulting in a deficit of \$1.1 billion, following a surplus of \$0.8 billion in March 2002. Exports of these products in April 2002 were \$2.6 billion less than the \$17.0 billion recorded in March 2002, while April imports were \$0.7 billion less than the \$16.2 billion imports in March.

The April 2002 trade data showed U.S. surpluses with the following countries (preceding month in parentheses): Australia, \$0.4 billion (\$0.6 billion in March 2002); Egypt, \$0.2 billion (\$0.3 billion); Hong Kong, \$0.4 billion (\$0.5 billion); and Singapore, \$0.1 billion (\$0.5 billion). Deficits were recorded in April 2002 with: Argentina, \$0.1 billion (same); Brazil, \$0.1 billion (virtually zero); Canada, \$4.1 billion (\$3.9 billion); China, \$7.6 billion (\$5.6 billion); Japan, \$6.8 billion (\$5.7 billion); Korea, \$1.1 billion (same); Mexico, \$3.3 billion (\$3.5 billion); OPEC member countries, \$3.0 (\$2.4 billion); Taiwan, \$1.2 billion (\$0.9 billion); and Western Europe, \$7.2 billion (\$5.5 billion).

Exports of goods and services during January-April 2002 totaled \$313.7 billion, down from \$352.3 billion during January-April 2001. Imports of goods and services decreased to \$444.5 billion, from \$481.9 billion during the same period. As a consequence, the current account deficit on goods and services increased slightly to \$130.8 billion for the January-April 2002 period, from \$129.6 billion during January-April 2001.

The export of goods decreased on a balance-of-payments basis during January-April 2002 to \$221.5 billion from \$255.2 billion during the same 2001 period, a decrease of \$33.7 billion; and imports of goods also decreased to \$367.9 billion, down from \$405.5 billion in January-April 2001. Consequently, the merchandise trade deficit declined to \$146.3 billion from \$150.3 billion. Regarding trade in services, exports in

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

² Data for this article were taken largely from U.S. Department of Commerce, Bureau of Economic Analysis, "U.S. International Trade in Goods and Services," Commerce News, FT-900, release of June 20, 2002, found at <http://www.census.gov/foreign-trade/www/press.html#current>, retrieved June 24, 2002, as well as at Internet address <http://www.bea.doc.gov/bea/newsrel/>.

Table 1
U.S. trade in goods and services, seasonally adjusted, March 2002-April 2002

Item	<i>Billion dollars</i>					
	Exports		Imports		Trade balance	
	April 2002	March 2002	April 2002	March 2002	April 2002	March 2002
Trade in goods ¹ (see note)						
Including oil	56.9	55.0	96.8	91.6	-39.9	-36.6
Excluding oil	56.9	55.3	87.2	84.4	-30.3	-29.1
Trade in services ¹	23.2	23.4	19.2	19.3	4.0	4.1
Trade in goods and services ¹	80.1	78.4	116.0	110.9	-35.9	-32.5
Trade in goods ²	63.2	61.5	107.1	103.3	-43.9	-41.8
Advanced technology products ³ ..	14.4	17.0	15.5	16.2	-1.1	0.8

¹ Current dollars (balance-of-payments basis).

² Constant 1996 dollars (Census Bureau basis).

³ Not seasonally adjusted.

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

Source: Calculated from official data of the U.S. Department of Commerce, Exhibits 1, 9, 10, and 16, FT-900 release of June 20, 2002, found at Internet address <http://www.census.gov/foreign-trade/www/press.html#current>.

Table 2

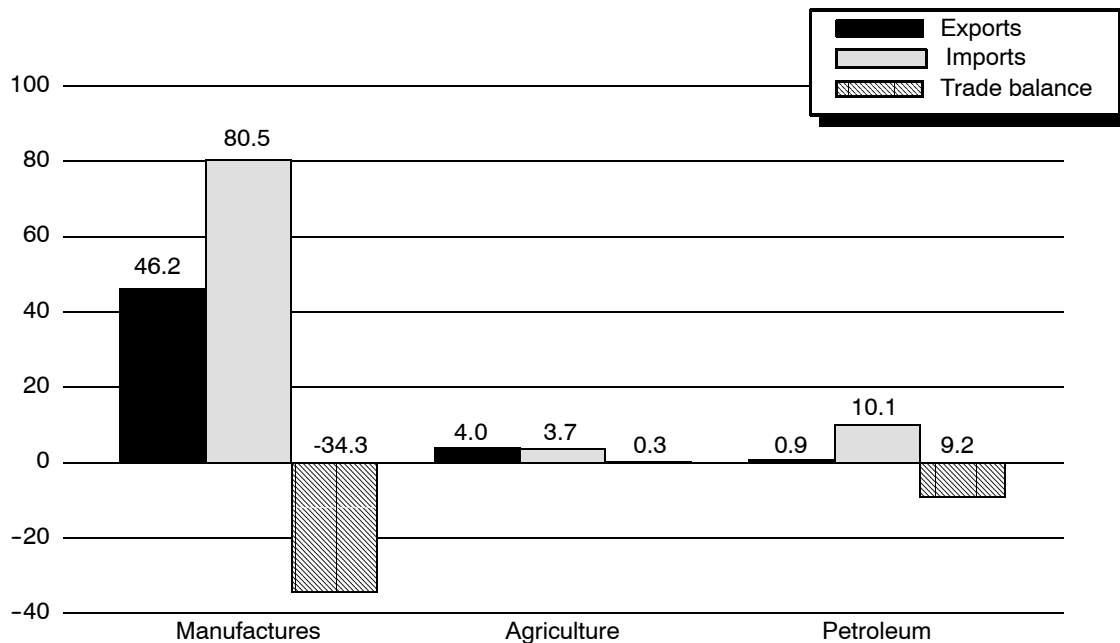
Nominal U.S. exports, imports, and trade balances, agriculture and specified manufacturing sectors, January 2001-April 2002

Manufacture sector	Exports			Imports			Trade balance		Change in exports, Jan.-Apr. 2002 over Jan.-Apr. 2001	Change in trade balance, Jan.-Apr. 2002 over Jan.-Apr. 2001	Share of total exports, Jan.-Apr. 2002
	April 2002	Jan.-Apr. 2002	Jan.-Apr. 2001	April 2002	Jan.-Apr. 2002	Jan.-Apr. 2001	Jan.-Apr. 2002	Jan.-Apr. 2001			
<i>Billion dollars</i>									<i>Percent</i>		
ADP equipment & office machinery	2.3	10.1	14.7	6.3	24.3	26.6	-14.2	-11.9	-31.3	19.3	4.5
Airplane parts	1.1	4.6	5.3	0.4	1.8	2.1	2.8	3.2	-13.2	-12.5	2.0
Airplanes	2.4	9.0	9.2	1.1	5.0	4.8	4.0	4.4	-2.2	-9.1	4.0
Chemicals - inorganic	0.4	1.7	2.1	0.4	1.7	2.2	0.0	-0.1	-19.0	-100.0	0.8
Chemicals - organic	1.4	5.0	5.8	2.6	10.1	10.8	-5.1	-5.0	-13.8	2.0	2.2
Electrical machinery	5.6	21.6	27.7	6.7	25.1	31.6	-3.5	-3.9	-22.0	-10.3	9.6
General industrial machinery	2.6	9.9	11.4	3.2	11.5	12.0	-1.6	-0.6	-13.2	166.7	4.4
Iron & steel mill products	0.4	1.7	1.9	0.9	4.0	4.1	-2.3	-2.2	-10.5	4.5	0.8
Power-generating machinery	2.6	10.5	10.8	3.1	11.7	12.2	-1.2	-1.4	-2.8	-14.3	4.7
Scientific instruments	2.2	8.9	10.4	1.8	6.5	7.4	2.4	3.0	-14.4	-20.0	4.0
Specialized industrial machinery	2.3	7.8	9.9	1.7	6.0	7.5	1.8	2.4	-21.2	-25.0	3.5
Televisions, VCRs, etc.	1.7	6.6	8.5	5.2	18.5	20.0	-11.9	-11.5	-22.4	3.5	2.9
Textile yarn and fabric	0.9	3.3	3.5	1.4	4.9	4.9	-1.6	-1.4	-5.7	14.3	1.5
Vehicles	5.2	18.7	18.1	14.4	53.6	53.1	-34.9	-35.0	3.3	-0.3	8.3
Other manufactures, not included above	15.1	57.8	65.2	31.4	117.8	123.8	-60.0	-58.6	-11.3	2.4	25.7
Manufactures	46.2	177.2	204.6	80.5	302.6	323.1	-125.4	-118.5	-13.4	5.8	78.9
Agriculture	4.0	17.8	18.0	3.7	13.8	13.3	4.0	4.7	-1.1	-14.9	7.9
Other goods, not included above	7.8	29.5	34.7	12.5	40.9	56.9	-11.4	-22.2	-15.0	-48.6	13.1
Total (Census basis)	58.1	224.5	257.3	96.8	357.2	393.3	-132.7	-136.0	-12.7	-2.4	100.0

Note.—Data on trade in manufactures are presented on a Census Bureau basis. Data may not add to totals due to rounding.

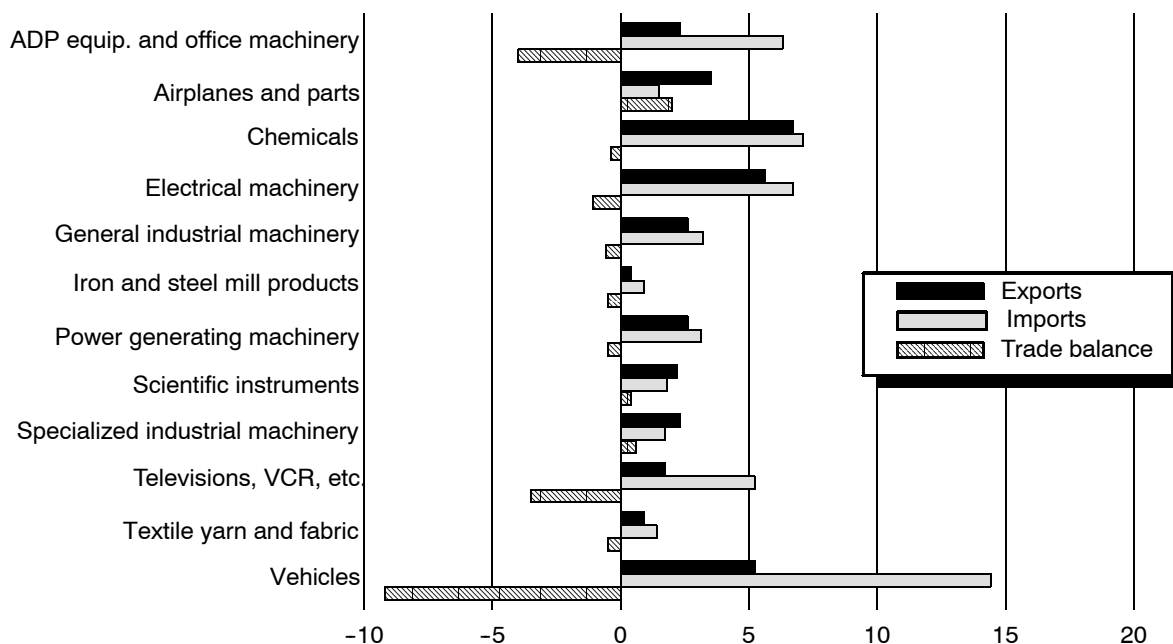
Source: Calculated from official data of the U.S. Department of Commerce, Exhibit 15, FT-900 release of June 20, 2002, found at Internet address <http://www.census.gov/foreign-trade/www/press.html#current>.

Figure 1
U.S. trade by major commodity, billion dollars, April 2002



Source: Calculated from official data of the U.S. Department of Commerce, Exhibit 15, FT-900 release of June 20, 2002.

Figure 2
U.S. trade in principal goods, billion dollars, April 2002



Source: Calculated from official data of the U.S. Department of Commerce, Exhibit 15, FT-900 release of June 20, 2002.

Table 3**Nominal U.S. exports, imports, and trade balances of services, by sectors, January 2001-April 2002, seasonally adjusted**

Service sector	Exports		Imports		Trade balance		Change in exports Jan.-Apr. 2002 over Jan.-Apr. 2001	Change in imports Jan.-Apr. 2002 over Jan.-Apr. 2001
	Jan.-Apr. 2002	Jan.-Apr. 2001	Jan.-Apr. 2002	Jan.-Apr. 2001	Jan.-Apr. 2002	Jan.-Apr. 2001		
	<i>Billion dollars</i>						<i>Percent</i>	
Travel	22.9	27.7	21.8	19.6	1.1	8.1	-17.3	11.2
Passenger fares	5.5	6.7	7.9	6.8	-2.4	-0.1	-17.9	16.2
Other transportation services	9.0	10.0	14.0	12.1	-5.0	-2.1	-10.0	15.7
Royalties and license fees	13.5	13.0	5.4	6.1	8.1	6.9	3.8	-11.5
Other private sales	37.0	35.6	21.5	25.1	15.5	10.5	3.9	-14.3
Transfers under U.S. military sales contracts	4.1	3.9	4.7	5.9	-0.6	-2.0	5.1	-20.3
U.S. Government miscellaneous services ..	0.3	0.3	1.0	1.0	-0.7	-0.7	0.0	0.0
Total	92.2	97.1	76.3	76.6	15.9	20.5	-5.0	-0.4

Note.—Data on trade in services are presented on a balance-of-payments basis. Data may not add to totals due to rounding and seasonal adjustments.

Source: Calculated from official data of the U.S. Department of Commerce, Exhibits 3 and 4, FT-900 release of June 20, 2002, found at Internet address <http://www.census.gov/foreign-trade/www/press.html#current>.

January-April 2002 decreased to \$92.2 billion, from \$97.1 billion in the same period of 2001, a decrease of about \$5.0 billion. Imports of services decreased to \$76.6 billion from \$76.3 billion, a decrease of \$0.3 billion. The surplus on trade in services decreased to \$15.5 billion in January-April 2002 from \$20.7 billion in the same period in 2001, a decrease of \$5.2 billion.

The January-April 2002 exports of advanced technology products declined to \$58.0 billion from \$73.5 billion in January-April 2001. Imports decline to \$61.1 billion in January-April 2002 from \$68.5 billion in the same period of 2001. As a consequence, the trade surplus in these products of nearly \$5.0 billion in January-April 2001 turned into a deficit of about \$3.1 billion in January-April 2002.

The January-April 2002 trade data in merchandise goods showed trade deficits with the following coun-

tries (same period a year ago in parentheses): Canada, \$16.4 billion (\$20.4 billion in January-April 2001); China, \$26.5 billion (\$24.4 billion); Eastern Europe, \$1.7 billion (\$3.1 billion); EFTA, \$1.6 billion, (\$0.8 billion); the euro area, \$17.4 billion (\$16.4 billion); the European Union (EU-15), \$21.1 billion (\$18.9 billion); Japan, \$22.9 billion (\$24.8 billion); NICs, \$6.7 billion (\$6.6 billion); Mexico, \$11.8 billion (\$8.6 billion); OPEC, \$10.0 billion (\$14.5 billion); and Western Europe, \$22.5 billion (\$19.6 billion). South and Central American countries—such as Argentina, Brazil, and Colombia—recorded small changes in their trade balances. Taiwan's merchandise trade deficit with the United States was \$4.5 billion, down from \$4.9 billion in the same period of 2001. Trade surpluses were recorded with Australia, Egypt, Hong Kong, Netherlands, Singapore, and Spain. U.S. trade developments with major trading partners are highlighted in table 4.

Table 4

U.S. exports and imports of goods with major trading partners, Jan. 2001-April 2002

Country/areas	Exports			Imports			Trade balance		Change in exports, Jan.-Apr. 2002 over Jan.-Apr. 2001	Change in trade balance, Jan.-Apr. 2002 over Jan.-Apr. 2001	
	April 2002	Jan.-Apr. 2002	Jan.-Apr. 2001	April 2002	Jan.-Apr. 2002	Jan.-Apr. 2001	Jan.-Apr. 2002	Jan.-Apr. 2001			
	<i>Billion dollars</i>							<i>Percent</i>			
Total (Census basis)	58.1	224.5	257.3	96.8	357.2	393.3	-132.7	-136.0	-12.7	-2.4	
North America	22.3	83.3	91.8	29.7	111.5	120.9	-28.2	-29.1	-9.3	-3.1	
Canada	14.1	52.5	57.0	18.3	68.9	77.4	-16.4	-20.4	-7.9	-19.6	
Mexico	8.2	30.8	34.9	11.5	42.6	43.5	-11.8	-8.6	-11.7	37.2	
Western Europe	13.4	53.6	63.7	20.6	76.1	83.3	-22.5	-19.6	-15.9	14.8	
Euro Area	8.8	35.8	40.8	13.9	53.2	57.2	-17.4	-16.4	-12.3	6.1	
European Union (EU-15)	12.1	49.0	57.2	18.7	70.1	76.1	-21.1	-18.9	-14.3	11.6	
France	1.6	6.8	7.3	2.5	9.6	10.9	-2.8	-3.6	-6.8	-22.2	
Germany	2.1	8.9	10.9	4.9	18.5	20.4	-9.6	-9.5	-18.3	1.1	
Italy	0.8	3.2	3.6	2.0	7.4	8.1	-4.2	-4.5	-11.1	-6.7	
Netherlands	1.7	6.4	7.3	0.9	3.1	3.3	3.3	4.0	-12.3	-17.5	
United Kingdom	3.0	11.5	14.3	3.7	12.9	14.7	-1.4	-0.4	-19.6	250.0	
Other EU	0.8	3.5	4.2	1.9	8.4	7.7	-4.9	-3.5	-16.7	40.0	
EFTA ¹	0.8	3.1	4.9	1.6	4.6	5.7	-1.5	-0.8	-36.7	87.5	
Eastern Europe/FSR ²	0.6	2.3	2.4	1.4	3.9	5.5	-1.6	-3.1	-4.2	-48.4	
Russia	0.2	0.8	0.9	0.5	1.6	2.8	-0.8	-1.9	-11.1	-57.9	
Pacific Rim Countries	14.1	55.8	64.6	31.9	117.6	126.6	-61.8	-62.0	-13.6	-0.3	
Australia	1.0	3.9	3.6	0.6	2.0	2.0	1.9	1.6	8.3	18.8	
China	1.5	6.3	5.7	9.1	32.8	30.1	-26.5	-24.4	10.5	8.6	
Japan	3.9	16.4	21.4	10.7	39.3	46.2	-22.9	-24.8	-23.4	-7.7	
NICs ³	5.8	21.9	25.8	7.6	28.6	32.4	-6.7	-6.6	-15.1	1.5	
Latin America	4.3	16.7	19.6	5.4	20.1	23.9	-3.4	-4.3	-14.8	-20.9	
Argentina	0.2	0.5	1.5	0.2	0.9	1.0	-0.4	0.5	-66.7	-180.0	
Brazil	1.1	4.2	5.1	1.2	4.4	4.7	-0.2	0.4	-17.6	-150.0	
OPEC	1.6	5.6	7.2	4.6	15.6	21.7	-10.0	-14.5	-22.2	-31.0	
Other Countries	2.3	9.5	10.6	5.0	19.5	20.7	-10.0	-10.1	-10.4	-1.0	
Egypt	0.3	1.2	0.9	0.1	0.3	0.3	0.9	0.6	33.3	50.0	
South Africa	0.2	0.7	1.0	0.3	1.2	1.5	-0.5	-0.5	-30.0	0.0	

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

² Former Soviet Republics (FSR).

³ The newly industrializing countries (NICs) include Hong Kong, Korea, Singapore, and Taiwan.

Note.—Country/area figures may not add to totals due to 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 official data of the U.S. Department of Commerce, Exhibits 14 and 14a, FT-900 release of June 20, 2002, found at Internet address <http://www.census.gov/foreign-trade/www/press.html#current>.