
U.S. TRADE DEVELOPMENTS

Recent Developments

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The U.S. Department of Commerce reported that seasonally adjusted total exports of goods and services of \$82.2 billion and imports of \$120.2 billion in September 2002 resulted in a goods and services trade deficit of \$38.0 billion; this was \$0.3 billion less than the \$38.3 billion deficit in August 2002.² September exports were \$0.3 billion less than August exports of \$82.5 billion, imports of goods and services at \$120.2 billion were \$0.6 billion less than August imports of \$120.8 billion.

September 2002 merchandise exports remained constant at \$58.3 billion. Merchandise imports decreased \$0.4 billion to \$100.2 billion, causing the merchandise trade deficit to decrease by about \$0.4 billion in September to \$41.9 billion from \$42.3 billion in August 2002. For services, exports decreased to \$23.8 billion in September from \$24.2 billion in August. Imports of services decreased to \$20.0 billion in September from \$20.2 billion in August, resulting in a services trade surplus in September of about \$3.8 billion, nearly \$0.2 billion less than the \$4.0 billion surplus in August 2002.

Changes in merchandise exports in August-September 2002 reflected an increase in capital goods (\$0.2 billion). Decreases occurred in automotive vehicles, parts, and engines (\$0.1 billion); and the statistical category (\$0.2 billion). Consumer goods; industrial supplies and materials; and foods, feeds, and beverages were virtually unchanged.

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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 Nov. 19, 2002, found at <http://www.census.gov/foreign-trade/www/press.html#current>, as well as at Internet address <http://www.bea.doc.gov/bea/newsrel/>.

Imports of goods in August-September reflected decreases in consumer goods (\$0.4 billion); capital goods (\$0.1 billion); industrial supplies and materials (\$0.3 billion); and foods, feeds, and beverages (\$0.1 billion). Increases occurred in automotive vehicles, parts, and engines (\$0.3 billion); and in the "other goods" category (\$0.1 billion). Additional information on U.S. trade developments in agriculture and specified manufacturing sectors in August-September 2002 are highlighted in tables 1 and 2, and figures 1 and 2. Services trade developments are highlighted in table 3.

In September 2002, exports of advanced technology products were \$14.3 billion and imports of the same were about \$17.1 billion, resulting in a deficit of \$2.8 billion, following a deficit of \$1.2 billion in August 2002. Exports of these products in September 2002 were about \$0.8 billion less than the \$15.1 billion recorded in August 2002, while September imports were about \$0.8 billion more than the \$16.3 billion imports in August.

The September 2002 trade data showed U.S. surpluses with the following countries (preceding month in parentheses): Australia, \$0.5 billion (\$0.5 billion in August 2002); Egypt, \$0.1 billion (\$0.3 billion). Deficits were recorded in September with China, \$10.3 billion (\$10.9 billion); Singapore, \$0.1 billion (surplus of \$0.2 billion); Argentina, \$0.1 billion (\$0.1 billion); Brazil, \$0.4 billion (\$0.4 billion); Canada, \$4.6 billion (\$4.1 billion); Mexico, \$3.0 billion (\$3.5 billion); Japan, \$5.9 billion (\$5.3 billion); Korea, \$1.1 billion (\$1.0 billion); OPEC member countries, \$2.9 (\$3.7 billion); Taiwan, \$1.2 billion (\$1.3 billion); and Western Europe, \$7.0 billion (\$7.0 billion).

Exports of goods and services during January-September 2002 totaled about \$728.0 billion, down from \$769.2 billion during January-September 2001. Imports of goods and services increased to \$1,031.9 billion, from \$1,023.9 billion during the same

Table 1**U.S. trade in goods and services, seasonally adjusted, August 2002-September 2002***Billion dollars*

Item	Exports		Imports		Trade balance	
	Sept. 2002	Aug. 2002	Sept. 2002	Aug. 2002	Sept. 2002	Aug. 2002
Trade in goods ¹ (see note)						
Including oil	58.3	58.3	100.2	100.6	-41.9	-42.3
Excluding oil	58.3	58.3	90.7	90.8	-32.4	-32.5
Trade in services ¹	23.8	24.2	20.0	20.2	3.8	4.0
Trade in goods and services ¹ ...	82.2	82.5	120.2	120.8	-38.0	-38.3
Trade in goods ²	64.0	64.2	109.3	110.6	-45.3	-46.4
Advanced technology products ³	14.3	15.1	17.1	16.3	-2.8	-1.2

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 non-monetary 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 Nov. 19, 2002, found at Internet address <http://www.census.gov/foreign-trade/www/press.html#current>.

Table 2

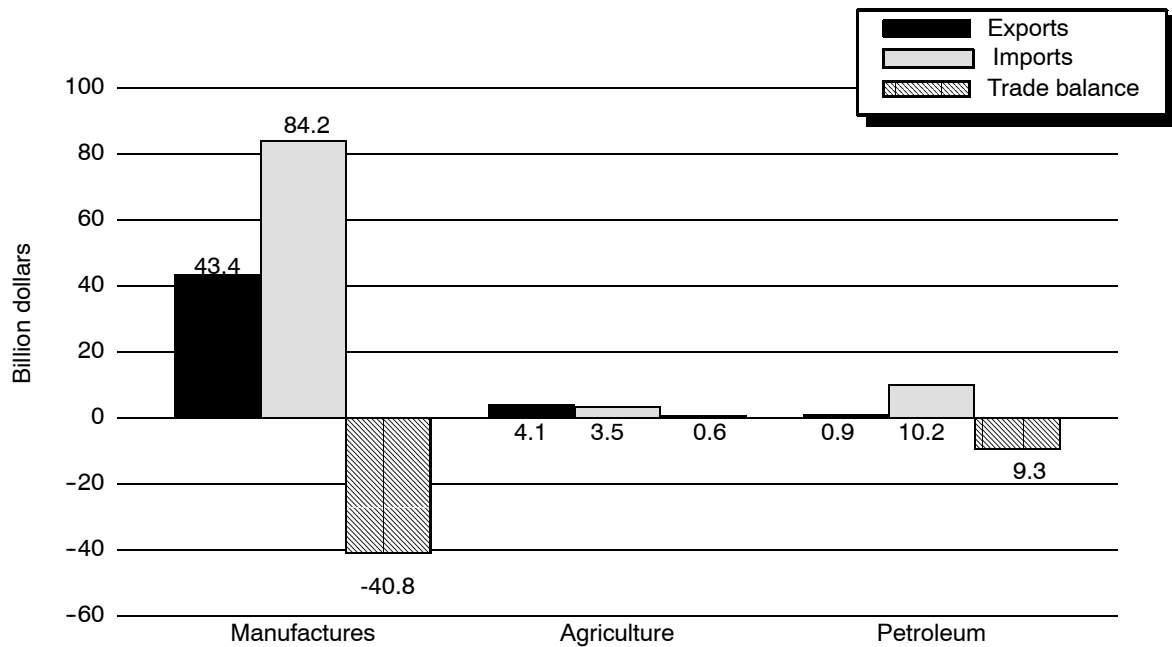
Nominal U.S. exports, imports, and trade balances, agriculture and specified manufacturing sectors, January 2001-September 2002

Manufacture sector	Exports			Imports			Trade balance		Change in exports, Jan.-Sept. 2002 over Jan.-Sept. 2001	Change in trade balance, Jan.-Sept. 2002 over Jan.-Sept. 2001	Share of total exports, Jan.-Sept. 2002	
	Sept. 2002	Jan.-Sept. 2002	Jan.-Sept. 2001	Sept. 2002	Jan.-Sept. 2002	Jan.-Sept. 2001	Jan.-Sept. 2002	Jan.-Sept. 2001				
	<i>Billion dollars</i>							<i>Percent</i>				
ADP equipment & office machinery	2.5	22.6	30.3	6.6	56.6	57.2	-34.0	-26.9	-25.4	26.4	4.4	
Airplane parts	1.1	10.5	12.0	0.4	3.8	4.7	6.7	7.3	-12.5	-8.2	2.0	
Airplanes	2.1	20.8	20.5	1.0	9.3	10.7	11.5	9.8	1.5	17.3	4.0	
Chemicals - inorganic	0.5	4.1	4.3	0.5	17.7	4.7	-13.6	-0.4	-4.7	3300.0	0.8	
Chemicals - organic	1.4	12.1	12.6	2.5	22.4	22.5	-10.3	-9.9	-4.0	4.0	2.3	
Electrical machinery	5.7	50.6	56.1	7.1	60.2	65.2	-9.6	-9.1	-9.8	5.5	9.8	
General industrial machinery	2.5	22.7	24.7	2.8	26.6	25.5	-3.9	-0.8	-8.1	387.5	4.4	
Iron & steel mill products	0.4	3.9	4.1	1.2	9.3	9.4	-5.4	-5.3	-4.9	1.9	0.8	
Power-generating machinery	2.9	24.3	25.2	2.7	25.8	27.3	-1.5	-2.1	-3.6	-28.6	4.7	
Scientific instruments	2.2	20.3	22.3	1.8	15.3	16.1	5.0	6.2	-9.0	-19.4	3.9	
Specialized industrial machinery	1.8	17.7	20.2	1.4	13.8	15.2	3.9	5.0	-12.4	-22.0	3.4	
Televisions, VCRs, etc.	1.6	14.7	18.4	6.2	47.7	46.0	-33.0	-27.6	-20.1	19.6	2.8	
Textile yarn and fabric	0.9	7.7	7.8	1.4	12.2	11.1	-4.5	-3.3	-1.3	36.4	1.5	
Vehicles	4.9	42.8	40.6	13.6	122.4	116.5	-79.6	-75.9	5.4	4.9	8.3	
Other manufactures, not included above	14.8	134.4	142.9	34.8	275.9	284.2	-141.5	-141.3	-5.9	0.1	26.0	
Manufactures	45.3	409.2	442.0	84.0	719.0	716.3	-309.8	-274.3	-7.4	12.9	79.2	
Agriculture	4.0	38.2	38.6	3.3	31.0	29.5	7.2	9.1	-1.0	-20.9	7.4	
Other goods, not included above	8.2	69.1	74.9	12.5	105.1	120.6	-36.0	-45.7	-7.7	-21.2	13.4	
Total (Census basis)	57.5	516.5	555.5	99.8	855.1	866.4	-338.6	-310.9	-7.0	8.9	100.0	

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

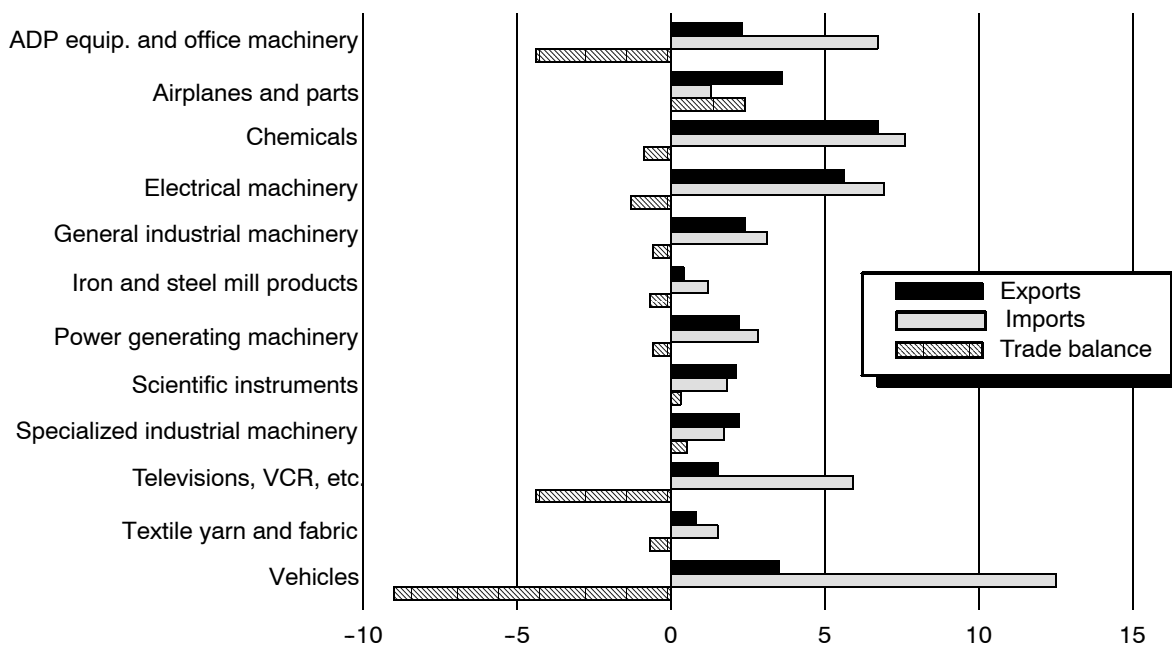
Source: Calculated from official data of the U.S. Department of Commerce, Exhibit 15, FT-900 release of Nov. 19, 2002, found at Internet address <http://www.census.gov/foreign-trade/www/press.html#current>.

Figure 1
U.S. trade by major commodity, July 2002



Source: Calculated from official data of the U.S. Department of Commerce, Exhibit 15, FT-900 release of Nov. 19, 2002.

Figure 2
U.S. trade in principal goods, July 2002



Source: Calculated from official data of the U.S. Department of Commerce, Exhibit 15, FT-900 release of November 19, 2002.

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

Service sector	Exports		Imports		Trade balance		Change in exports Jan.-Sept. 2002 over Jan.-Sept. 2001	Change in imports Jan.-Sept. 2002 over Jan.-Sept. 2001
	Jan.- Sept. 2002	Jan.-Sept. 2001	Jan.- Sept. 2002	Jan.-Sept. 2001	Jan.-Sept. 2002	Jan.-Sept. 2001		
	<i>Billion dollars</i>						<i>Percent</i>	
Travel	51.8	58.4	44.3	47.2	7.5	11.2	-11.3	-6.1
Passenger fares	12.9	14.4	15.6	18.0	-2.7	-3.6	-10.4	-13.3
Other transportation services	20.8	21.6	28.3	29.8	-7.5	-8.2	-3.7	-5.0
Royalties and license fees	31.0	29.0	13.6	12.3	17.4	16.7	6.9	10.6
Other private sales	85.5	80.6	58.6	37.2	26.9	43.4	6.1	57.5
Transfers under U.S. military sales contracts	9.0	9.1	14.1	10.9	-5.1	-1.8	-1.1	29.4
U.S. Government miscellaneous services .	0.6	0.6	2.2	2.2	-1.6	-1.6	0.0	0.0
Total	211.5	213.7	176.8	157.5	34.7	56.2	-1.0	12.3

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 Nov. 19, 2002, found at Internet address <http://www.census.gov/foreign-trade/www/press.html#current>.

period. As a consequence, the trade deficit on goods and services increased to \$303.9 billion for the January–September 2002 period, from \$254.7 billion during January–September 2001.

The export of goods on a balance-of-payments basis during January–September 2002 decreased to \$512.8 billion from \$551.4 billion during the same 2001 period, a decrease of \$38.6 billion; and imports of goods also decreased to \$864.9 billion, down from \$877.9 billion in January–September 2001. Consequently, the merchandise trade deficit increased to \$352.1 billion from \$326.6 billion. Regarding trade in services, exports in January–September 2002 decreased to \$211.5 billion, from \$213.7 billion in the same period of 2001, a decrease of about \$2.2 billion. Imports of services increased to \$176.8 billion from \$157.5 billion, an increase of \$19.3 billion. The surplus on trade in services decreased to \$34.7 billion in January–September 2002 from \$56.2 billion in the same period in 2001, a decrease of \$21.5 billion.

The January–September 2002 exports of advanced technology products declined to \$134.1 billion from \$153.9 billion in January–September 2001. Imports declined to \$143.6 billion in January–September 2002 from \$147.1 billion in the same period of 2001. As a

consequence, the trade surplus in these products of nearly \$6.8 billion in January–September 2001 turned into a deficit of about \$9.5 billion in January–September 2002.

The January–September 2002 trade data in merchandise goods showed trade deficits with the following countries (same period a year ago in parentheses): Canada, \$37.3 billion (\$41.4 billion in January–September 2001); China, \$73.6 billion (\$61.2 billion); Eastern Europe, \$5.3 billion (\$6.0 billion); EFTA, \$4.4 billion, (\$2.4 billion); the euro area, \$47.8 billion (\$39.8 billion); the European Union (EU-15), \$58.4 billion (\$44.3 billion); Japan, \$50.0 billion (\$51.2 billion); NICs, \$15.2 billion (\$15.5 billion); Mexico, \$28.1 billion (\$22.9 billion); OPEC, \$24.8 billion (\$32.5 billion); and Western Europe, \$63.1 billion (\$46.7 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 \$10.1 billion, down from \$11.5 billion in the same period of 2001. Trade surpluses were recorded with Australia, Egypt, Hong Kong, Netherlands, and Singapore. 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, January 2001-September 2002

Country/areas	Exports			Imports			Trade balance		Change in exports, Jan.-Sept. 2002 over Jan.-Sept. 2001	Change in imports, Jan.-Sept. 2002 over Jan.-Sept. 2001
	Sept. 2002	Jan.- Sept. 2002	Jan.- Sept. 2001	Sept. 2002	Jan.- Sept. 2002	Jan.- Sept. 2001	Jan.- Sept. 2002	Jan.- Sept. 2001		
	<i>Billion dollars</i>								<i>Percent</i>	
Total (Census basis)	57.5	516.5	555.5	99.8	855.1	866.4	-338.6	-310.9	-7.0	-1.3
North America	21.8	192.4	201.3	29.4	257.8	265.7	-65.4	-64.4	-4.4	-3.0
Canada	13.3	120.1	125.0	17.9	157.4	166.4	-37.3	-41.4	-3.9	-5.4
Mexico	8.5	72.3	76.3	11.4	100.4	99.2	-28.1	-22.9	-5.2	1.2
Western Europe	12.5	116.6	133.7	19.5	179.7	180.3	-63.1	-46.6	-12.8	-0.3
Euro Area	8.5	77.9	85.3	13.7	125.7	125.1	-47.8	-39.8	-8.7	0.5
European Union	11.5	106.6	121.0	17.9	165.0	165.3	-58.4	-44.3	-11.9	-0.2
(EU-15)										
France	1.5	13.9	15.0	2.2	21.1	22.7	-7.2	-7.7	-7.3	-7.0
Germany	2.3	19.6	23.0	5.1	44.6	45.1	-25.0	-22.1	-14.8	-1.1
Italy	0.7	7.3	7.4	1.7	17.8	18.0	-10.5	-10.6	-1.4	-1.1
Netherlands	1.5	13.9	14.7	0.8	7.2	7.1	6.7	7.6	-5.4	1.4
United Kingdom	2.7	25.2	31.6	3.3	30.2	31.1	-5.0	0.5	-20.3	-2.9
Other EU	0.8	7.8	8.8	2.6	20.5	17.9	-12.7	-9.1	-11.4	14.5
EFTA ¹	0.7	7.0	9.5	1.2	11.4	11.9	-4.4	-2.4	-26.3	-4.2
Eastern Europe/FSR ²	0.5	5.0	5.1	1.3	10.3	11.1	-5.3	-6.0	-2.0	-7.2
Russia	0.2	1.8	2.0	0.5	4.7	5.1	-2.9	-3.1	-10.0	-7.8
Pacific Rim Countries	14.8	133.7	138.3	35.0	287.7	282.2	-154.0	-143.9	-3.3	1.9
Australia	1.0	9.7	8.1	0.6	4.8	4.9	4.9	3.2	19.8	-2.0
China	2.0	15.9	14.0	12.3	89.5	75.2	-73.6	-61.2	13.6	19.0
Japan	4.2	38.8	44.5	10.0	88.8	95.7	-50.0	-51.2	-12.8	-7.2
NICs ³	5.9	52.6	55.1	7.9	67.8	70.6	-15.2	-15.5	-4.5	-4.0
Latin America	4.3	38.3	44.5	6.4	50.5	52.3	-12.2	-7.8	-13.9	-3.4
Argentina	0.1	1.1	3.2	0.2	2.2	2.3	-1.1	0.9	-65.6	-4.3
Brazil	1.0	9.3	12.3	1.5	11.4	11.0	-2.1	1.3	-24.4	3.6
OPEC	2.0	14.1	15.3	4.8	38.9	47.8	-24.8	-32.5	-7.8	-18.6
Other Countries	2.2	21.3	23.5	5.9	48.3	47.1	-27.0	-23.6	-9.4	2.5
Egypt	0.2	2.3	2.3	0.1	1.1	0.7	1.2	1.6	0.0	57.1
South Africa	0.2	1.9	2.3	0.4	2.9	3.5	-1.0	-1.2	-17.4	-17.1

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 Nov. 19, 2002, found at Internet address <http://www.census.gov/foreign-trade/www/press.html#current>.