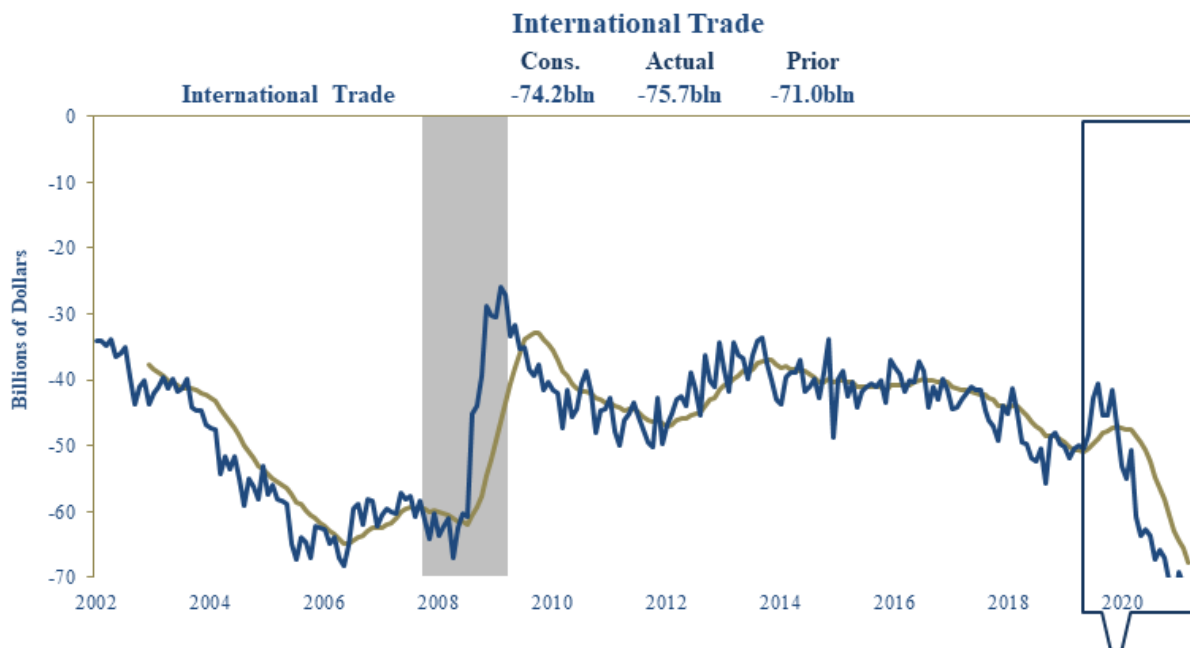
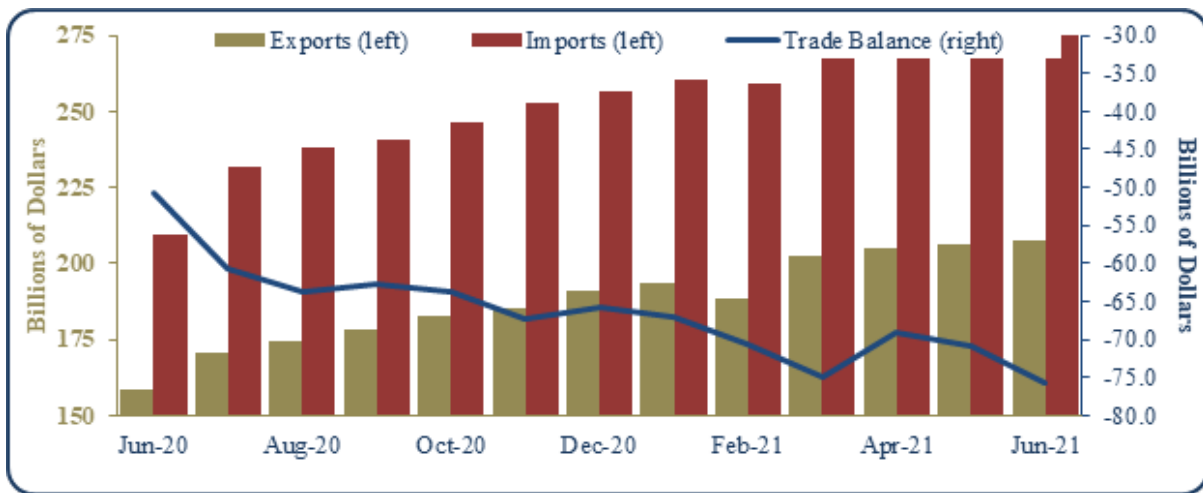


05.Aug.2021

## International Trade: Wider, Hints of Trend Stabilizing

**Bottom Line:** Imports rose moderately in June as exports only moved slightly higher. On the export side, declines in soybean exports were partially offset by an increase in oil exports. On the import side, manufacturers drove increased demand for industrial supplies from abroad. Imports of consumer goods, though, were notably lower. With consumer goods driving much of the widening trend in the trade balance in the last year, we might finally start to see some stabilization. Overall, the trend in the trade deficit remains wider for now. However, this report highlights the potential for that widening trend to slow modestly as consumers shift from goods to services amid more reopenings. Finally, net exports made a moderate negative contribution to the advance 2021 Q2 GDP growth estimate; the Q2 average for real trade balance for goods suggests this will be revised to be slightly less negative.





**The International Trade Deficit** WIDENED by \$4.7 billion to \$75.7 billion in June, compared with market expectations for a decline to a \$74.2 billion deficit.

**Exports** ROSE by 0.6% to \$207.7 billion after an increase of 0.9% in the prior month. The declines in food, feed, and beverages and capital goods were more than offset by increases in industrial supplies and materials and motor vehicles and parts. Export growth is now 30.8% ABOVE their year-ago level.

**Imports** ROSE 2.148% to \$283.4 billion after an increase of 1.3% in the prior month. The declines in consumer goods and motor vehicles and parts were more offset by increases in industrial supplies and materials and capital goods. Imports are now 35.3% ABOVE their year-ago level.

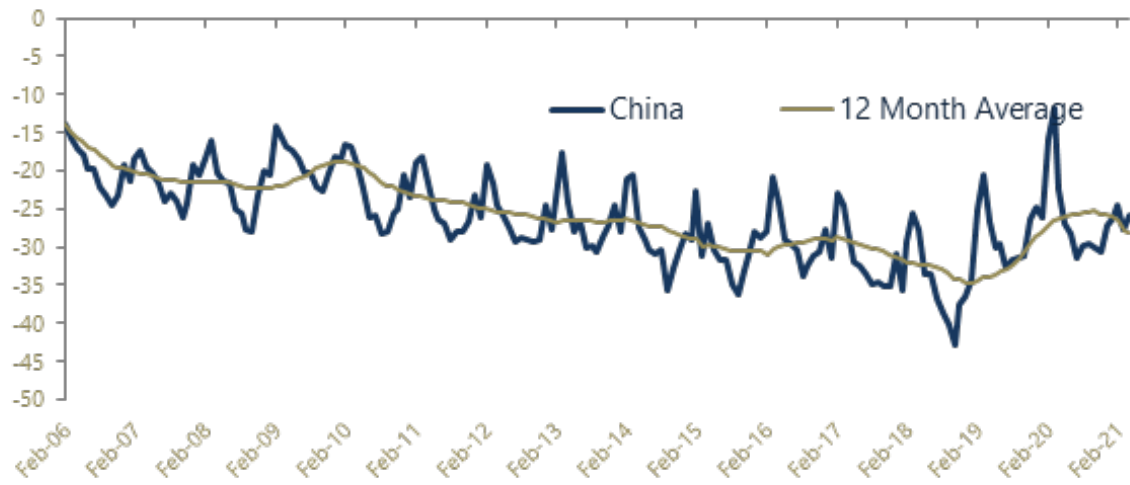
### Exports of Goods and Services



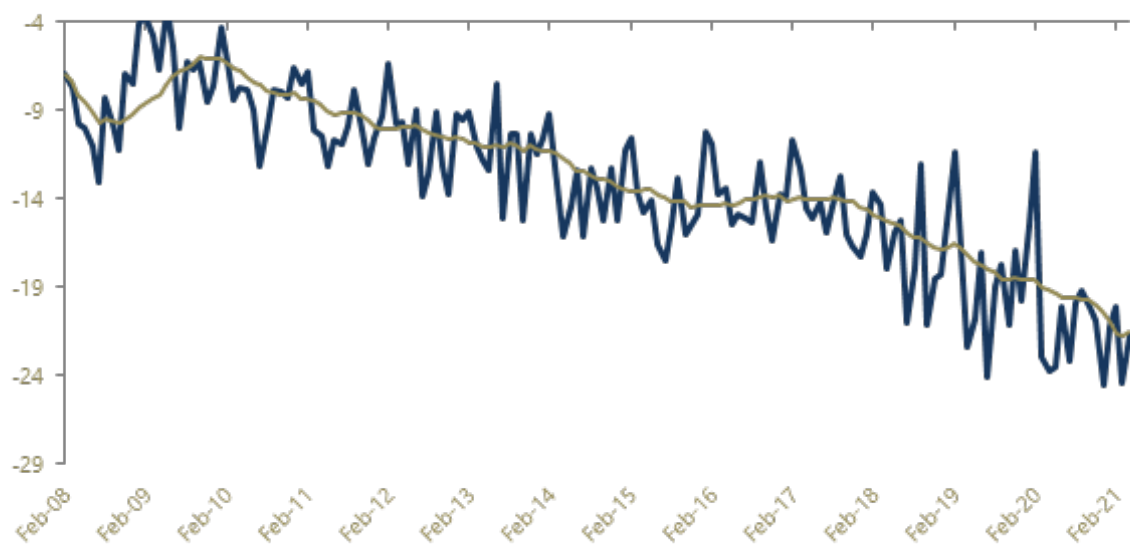
### Imports of Goods and Services



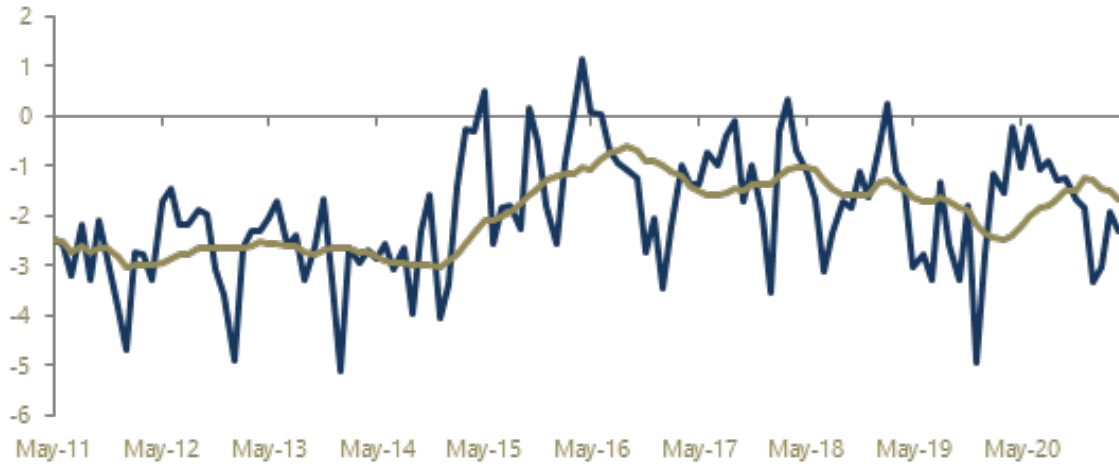
### US Trade Balance with China NSA (\$ bn)



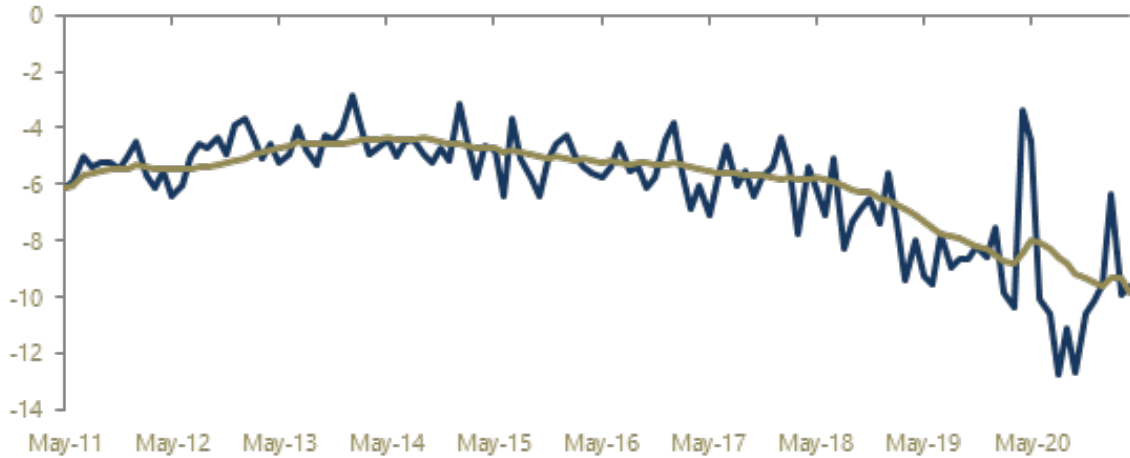
### US Trade Balance with Europe NSA (\$ bn)



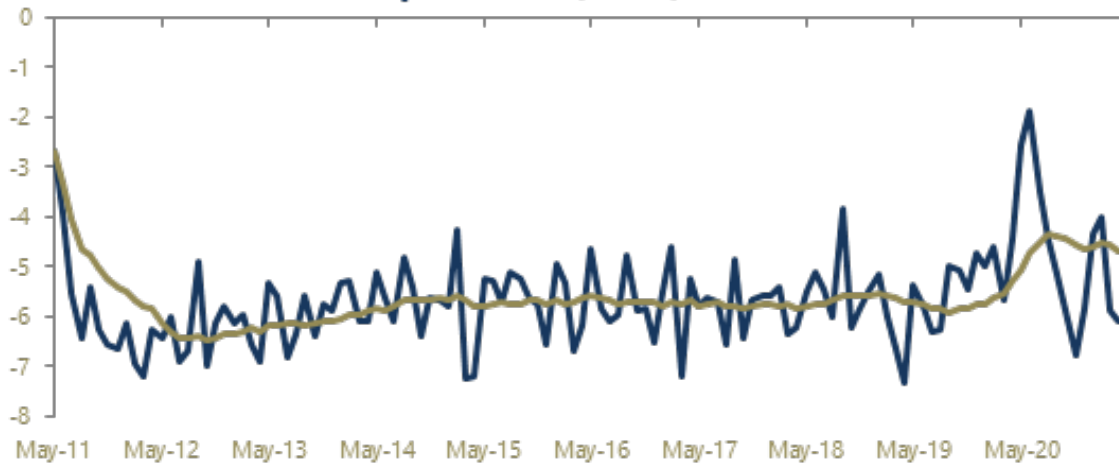
**Trade Balance with Canada NSA (\$ bn)**



**Trade Balance with Mexico NSA (\$ bn)**



**Trade Balance with Japan NSA (\$ bn)**



	Billions of Dollars								
					Monthly Average for				
	Jun-21	May-21	Apr-21	Mar-21	Three Month	Six Month	Twelve Month	2020	2019
<b>Trade Balance, Goods &amp; Services</b>	<b>-75.7</b>	<b>-71.0</b>	<b>-69.1</b>	<b>-75.0</b>	<b>-71.9</b>	<b>-71.4</b>	<b>-67.7</b>	<b>-80.3</b>	<b>-48.1</b>
<b>Exports</b>	<b>207.7</b>	<b>206.5</b>	<b>204.7</b>	<b>202.7</b>	<b>206.3</b>	<b>200.5</b>	<b>190.4</b>	<b>225.6</b>	<b>210.7</b>
m-to-m % chg	0.6	0.9	1.0	7.5				7.1	
yr-to-yr % chg	30.8	41.3	36.4	8.1					
<b>Imports</b>	<b>283.4</b>	<b>277.5</b>	<b>273.8</b>	<b>277.7</b>	<b>278.2</b>	<b>272.0</b>	<b>258.2</b>	<b>300.1</b>	<b>258.8</b>
m-to-m % chg	2.1	1.3	-1.4	7.1				16.0	
yr-to-yr % chg	35.3	38.0	34.8	18.3					
<b>Trade Balance, Goods</b>	<b>-93.2</b>	<b>-89.1</b>	<b>-86.9</b>	<b>-92.9</b>	<b>-89.7</b>	<b>-89.6</b>	<b>-86.3</b>	<b>-98.4</b>	<b>-72.0</b>
<b>Trade Balance, Services</b>	<b>17.4</b>	<b>18.1</b>	<b>17.8</b>	<b>17.8</b>	<b>17.8</b>	<b>18.2</b>	<b>18.6</b>	<b>18.0</b>	<b>24.0</b>
<b>Trade Balance, G&amp;S, Ex Petrol</b>	<b>-76.1</b>	<b>-69.6</b>	<b>-69.7</b>	<b>-73.2</b>	<b>-71.8</b>	<b>-71.0</b>	<b>-68.1</b>	<b>-75.9</b>	<b>-46.9</b>
<b>Imports - Consumer Goods</b>	<b>62.4</b>	<b>64.0</b>	<b>63.7</b>	<b>66.3</b>	<b>63.4</b>	<b>63.5</b>	<b>60.5</b>		
<b>Trade Balance, Petroleum</b>	<b>-5.4</b>	<b>-7.0</b>	<b>-3.3</b>	<b>-7.9</b>	<b>-5.2</b>	<b>-5.8</b>	<b>-4.7</b>		

Source: Bureau of the Census, Department of Commerce via Bloomberg. Our calculations.

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August 5, 2021