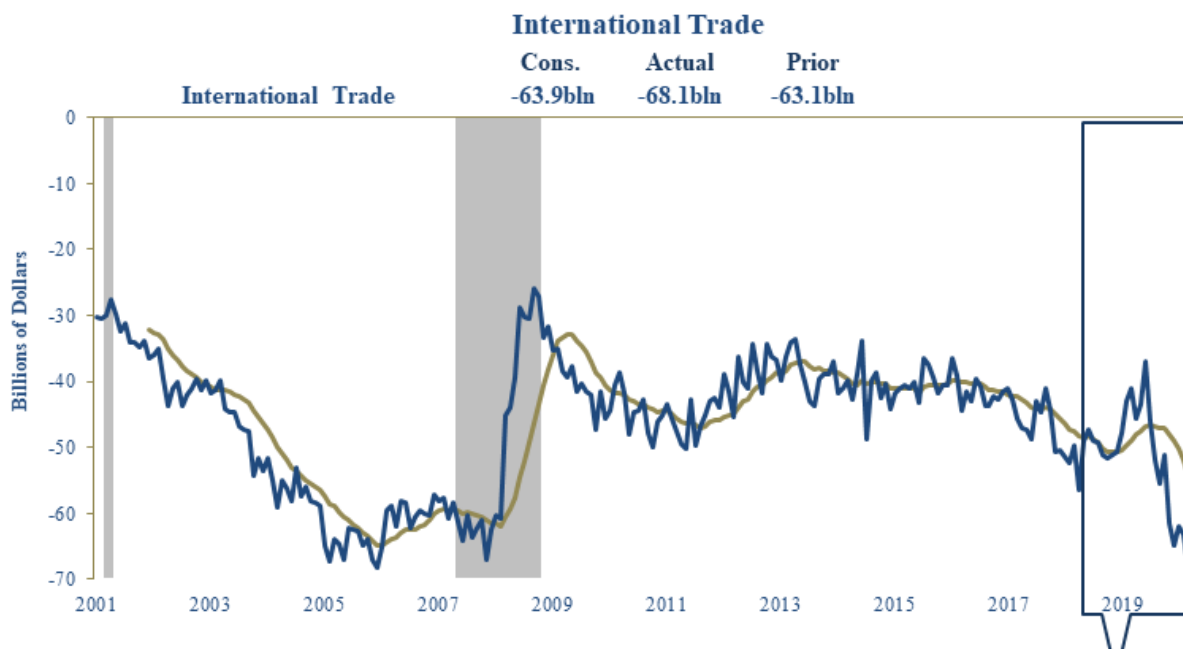
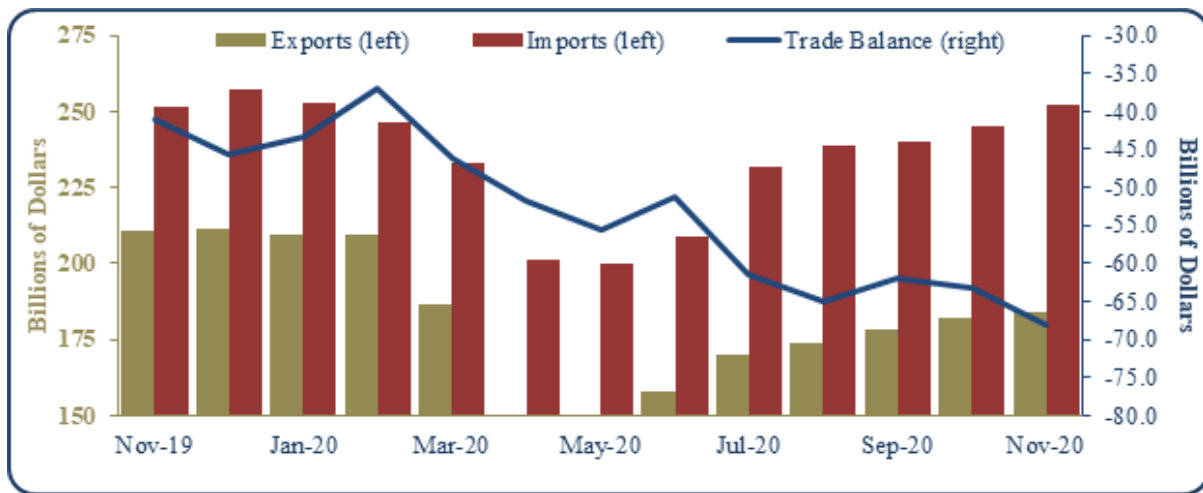


07.Jan.2021

International Trade: Continued Widening Into Year-End

Bottom Line: The trade balance widened slightly in November as consumer imports rose, mostly due to shipments of cell phones, especially the new iPhone. Auto imports, though, fell slightly for the first time in several months. On a trend basis, the trade deficit has been steadily wider since the pandemic. The deficit with European countries has grown larger while the deficit with Asian nations, especially China and Japan, has been trending less negative. Trade with Canada has been volatile but mostly steady, while the trade deficit with Mexico has resumed its downtrend after trade initially collapsed during the shutdowns. The outlook remains uncertain, though, as the US consumer remains fragile and Chinese demand for agriculture imports from the US has been politically motivated at times.





The International Trade Deficit WIDENED by \$5.0 billion to \$68.1 billion in November, compared with market expectations for a decline to a \$63.9 billion deficit.

Exports ROSE by 1.2% to \$184.2 billion after an increase of 2.2% in the prior month. The declines in capital goods and motor vehicles and parts were more than offset by increases in industrial supplies and materials and food, feed, and beverages. Export growth is now 12.5% BELOW their year-ago level.

Imports ROSE 2.939% to \$252.3 billion after an increase of 2.1% in the prior month. The declines in motor vehicles and parts and were more offset by increases in consumer goods and industrial supplies and materials. Imports are now 0.3% ABOVE their year-ago level.

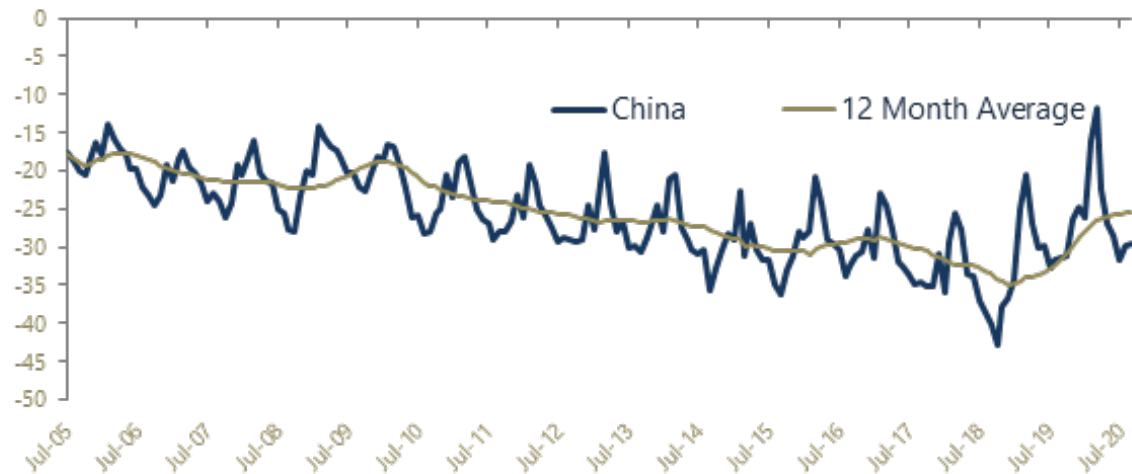
Exports of Goods and Services



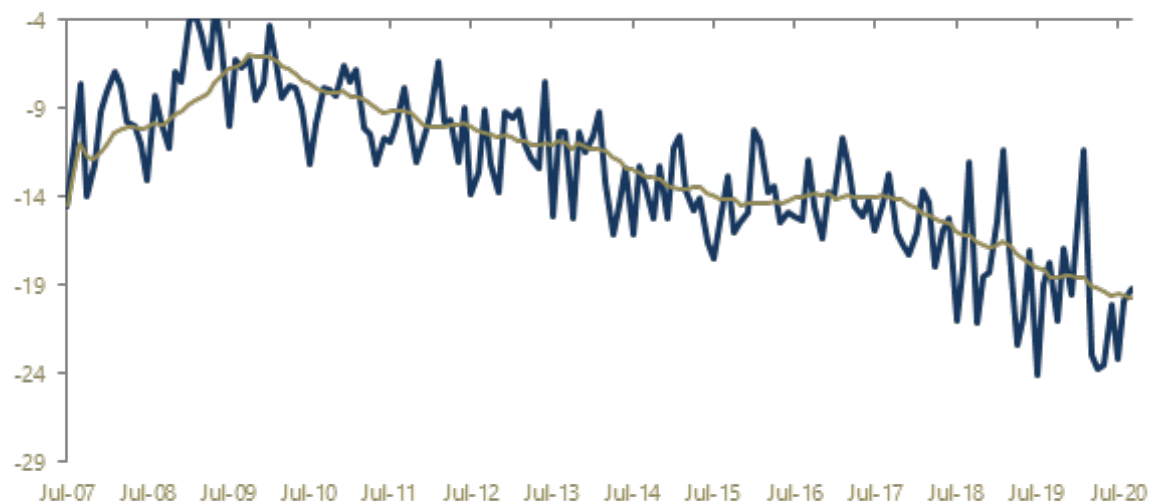
Imports of Goods and Services



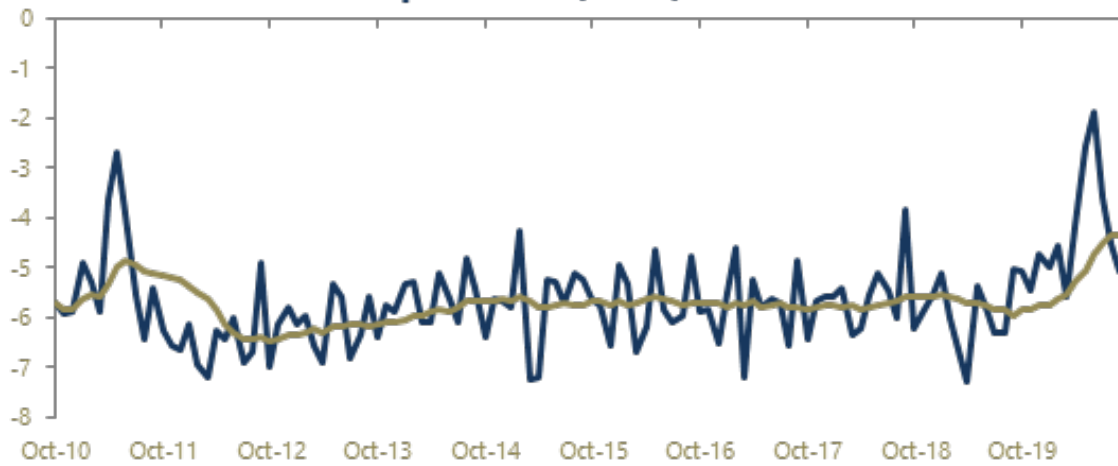
US Trade Balance with China NSA (\$ bn)



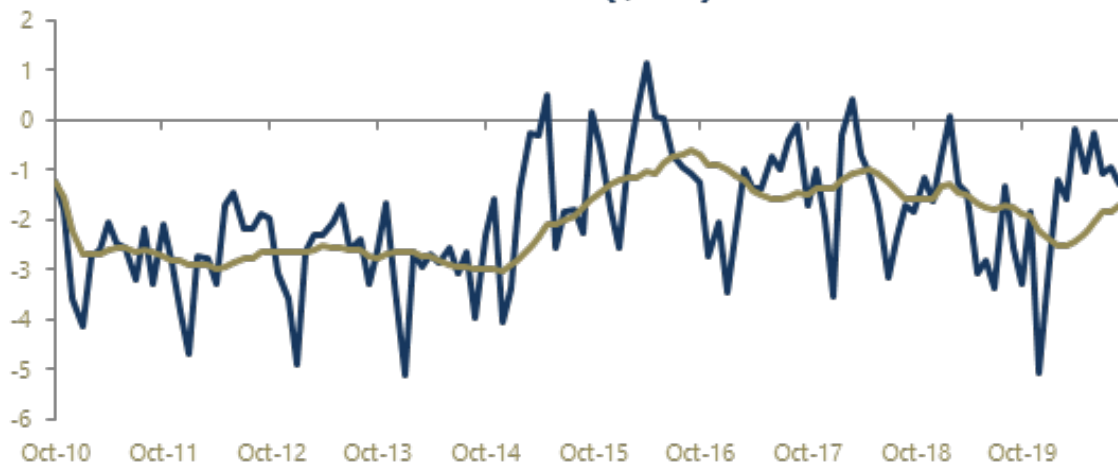
US Trade Balance with Europe NSA (\$ bn)



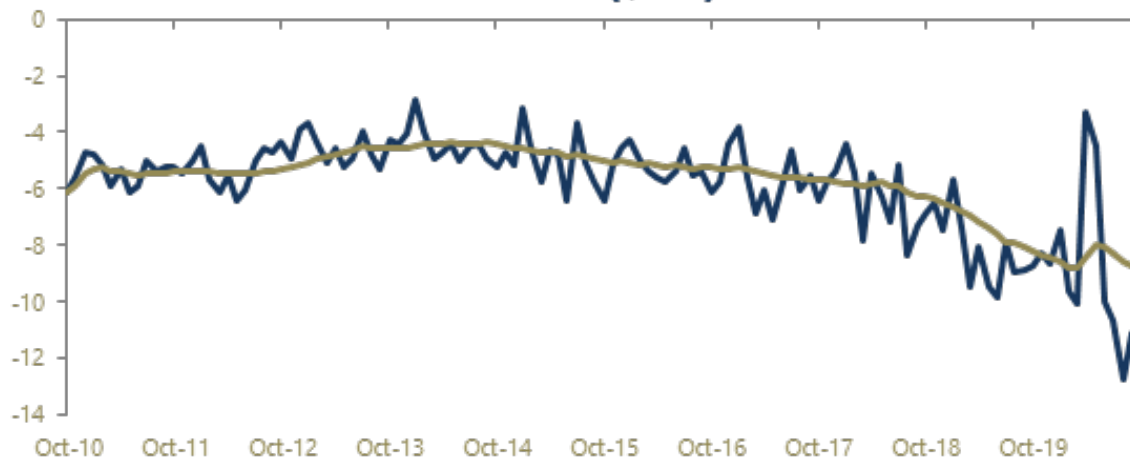
Trade Balance with Japan NSA (\$ bn)



Trade Balance with Canada NSA (\$ bn)



Trade Balance with Mexico NSA (\$ bn)



	Billions of Dollars								
					Monthly Average for				
	Nov-20	Oct-20	Sep-20	Aug-20	Three Month	Six Month	Twelve Month	2019	2018
Trade Balance, Goods & Services	-68.1	-63.1	-62.1	-64.9	-64.4	-61.8	-54.2	-48.1	-48.3
Exports	184.2	182.0	178.0	173.9	181.4	174.3	179.7	210.7	211.6
m-to-m % chg	1.2	2.2	2.4	2.2				-0.4	
yr-to-yr % chg	-12.5	-13.5	-14.9	-17.4					
Imports	252.3	245.1	240.1	238.8	245.9	236.1	233.9	258.8	259.9
m-to-m % chg	2.9	2.1	0.6	3.2				-0.5	
yr-to-yr % chg	0.3	-3.3	-6.6	-8.6					
Trade Balance, Goods	-86.4	-81.4	-80.8	-83.9	-82.8	-80.8	-74.5	-72.0	-73.4
Trade Balance, Services	18.2	18.2	18.7	19.0	18.4	19.0	20.3	24.0	25.0
Trade Balance, G&S, Ex Petrol	-68.4	-64.0	-63.4	-66.5	-65.2	-63.0	-55.5	-46.9	-44.2
Imports - Consumer Goods	61.2	57.2	55.8	57.8	58.0	56.1	52.4		
Trade Balance, Petroleum	-5.1	-5.4	-3.1	-2.4	-4.5	-4.1	-3.1		

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

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January 7, 2021