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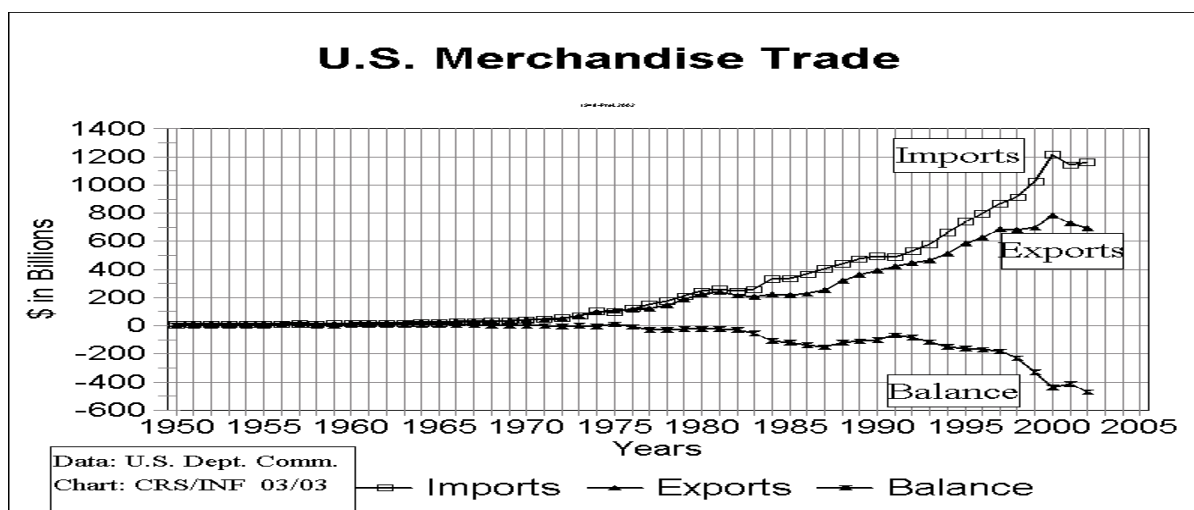
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U.S. Merchandise Trade Data: 1948-2002

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Summary

U.S. merchandise trade has fluctuated in the value of both exports and imports from the end of World War II to 2000. The year 2001 appears to be a benchmark in that both exports and imports declined markedly in value. In 2002, imports increased while exports decreased again. Merchandise trade statistics provide a continuous series to measure that growth in trade. Official annual trade statistics of the U.S. Department of Commerce, provided here, show that this U.S. export decline and import increase resulted in the largest annual merchandise trade deficit in U.S. history. For the 54 years between 1948 and 2002, merchandise exports grew by 54 times, and merchandise imports grew by 163 times. U.S. merchandise imports exceeded \$1 trillion for the first time in 1999 and remained above \$1 trillion through 2002. During this full period, the U.S. merchandise trade balance was in surplus between 1948 and 1970. The first U.S. postwar deficit occurred in 1971. The deficit exceeded \$100 billion for the first time in 1984, surpassed \$200 billion in 1998, \$300 billion in 1999, and grew beyond \$400 billion in 2000, where it remained through 2002. This report will be updated as new information becomes available.



Merchandise Trade Versus Trade in Goods and Services

Merchandise trade statistics are referred to as *Census basis* statistics, since they are collected, compiled, and distributed by the U.S. Bureau of the Census. These are the data reported here, and constitute the one continuing data series using largely uniform definitions. Merchandise trade statistics are important because they alone are the basis for commodity and country trade information.

In January 1994, the U.S. Department of Commerce began reporting and publishing trade data on goods and services as the benchmark monthly trade statistic, replacing merchandise trade data. Previously, services trade estimates were compiled by the Bureau of Economic Analysis on a *balance of payments (BOP) basis*. To harmonize Census merchandise data with Bureau of Economic Analysis services data, statistics on goods and services are reported on a balance of payments basis. This involves such changes as deducting U.S. military sales from merchandise accounts, since they are considered services transactions, and adding to merchandise statistics parcels mailed to foreigners by individuals in the United States. What this means is that the goods component of trade in goods and services is different from the goods measured in merchandise trade statistics.

Definitions in Merchandise Trade

Merchandise trade is trade in goods only, not services, and excludes capital transfers and foreign investments. Exports are defined here as *total exports*; they include both domestically-produced goods and re-exports, which constitute imports of goods that are warehoused here, then re-exported. Imports are defined here as *general imports*, which measure total arrivals of goods into the United States—imports for both immediate consumption channels and warehouses. *Balance of merchandise trade* is defined as total exports minus general imports. Dollar amounts are current U.S. dollars, that is, official statistics with no inflation adjustment, expressed in millions.

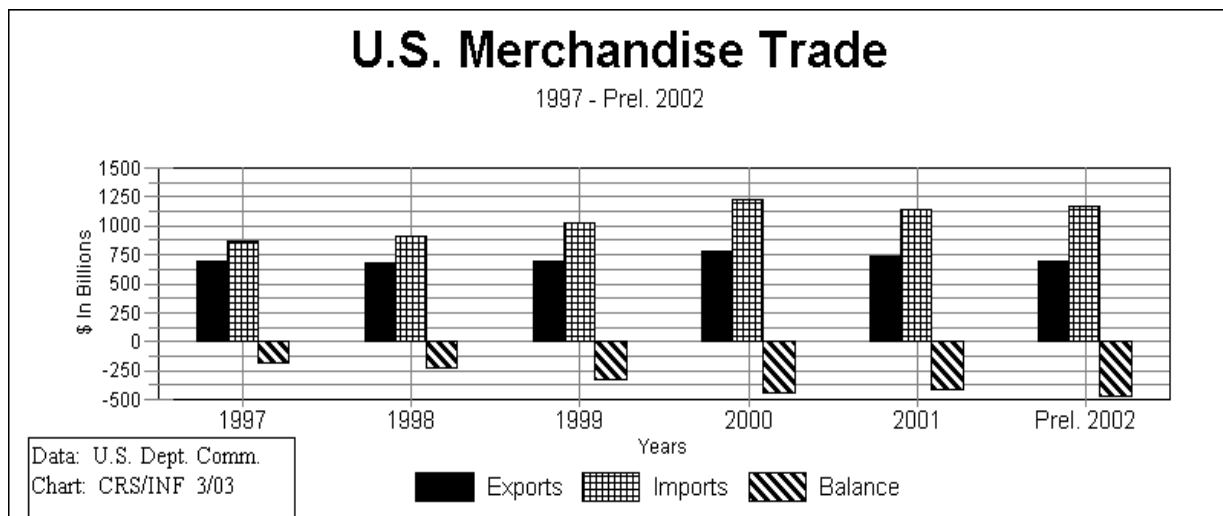
Valuation methods define where in a trade transaction the value of a good is measured. As goods move in international trade, they acquire more costs. Although an automobile has one cost at the end of its assembly line, it acquires a higher cost when shipping and insurance to a local dealer or port for export are added. For this report, current official U.S. government valuation practice is followed.

- total exports are valued *free alongside*, or *FAS*. FAS figures provide valuation of exports at the port of exportation, and thus exclude charges for loading onto the vessel, the transportation itself, insurance, unloading, and foreign transportation.
- general imports are valued on *Customs valuation*. Customs valuation for imports excludes costs of international transportation and insurance, as well as tariffs, and is therefore quite similar to FAS valuation. Customs valuation for imports replaced FAS valuation in U.S. government statistics in 1982.

Recent Annual Trade Trends

In 2002, the **latest complete year** for trade data, U.S. exports decreased by \$36 billion, or 5%, to \$693 billion. Imports increased by \$23 billion, or 2%, to \$1,164 billion. These statistics resulted in the U.S. merchandise trade deficit increasing \$58 billion, or roughly 14%, to \$470 billion. This 2002 merchandise trade deficit increase contrasts both with the \$24 billion decrease in 2001 and the \$100 billion annual increases during 1999 and 2000. The total annual merchandise trade deficit remains greater than \$400 billion.

In the **six-year span** from 1997 through preliminary 2002, exports increased 1%, from \$689 billion to \$693 billion, while imports grew 34%, from \$870 to \$1,164 billion. This resulted in the trade deficit more than doubling from \$181 billion to \$470 billion.



Where to Find Trade Statistics

The Foreign Trade Division (FTD) of the Bureau of the Census of the U.S. Department of Commerce collects and publishes official U.S. merchandise export and import statistics. Most important is FTD's monthly trade release, *U.S. International Trade in Goods and Services*, known by its publication number, the *FT-900*. FTD is now providing its data on the Internet and on CD-ROM, as well as in printed format. Separate single CD-ROMs are published monthly for *U.S. Exports of Merchandise* and *U.S. Imports of Merchandise*. Both are organized by Harmonized Tariff System of the United States (HTS) classification by country, then by customs district. Also available in CD-ROM format are *U.S. Imports History, Historical 5-Year Summary*, and *U.S. Exports History, Historical 5-Year Summary*. FTD's newest products include a one-disc monthly CD-ROM combining export and import data with improved software, and the customized *Selected Commodity Subscription Service*, or *SCSS*. An *SCSS* subscription could tell you about, for example, golf club imports. These and other FTD products may be obtained by calling (301) 457-2311 or visiting FTD on the Internet at [<http://www.census.gov/foreign-trade/www/>].

Internet Sources of Data

Sources of trade data on the Internet are becoming more reliable and easier to access.

- The U.S. Bureau of the Census provides the full text of the monthly *FT-900* with graphics plus its *Guide to Foreign Trade Statistics* at the Census Bureau's FTD Foreign Trade Home Page at [<http://www.census.gov:80/foreign-trade/www/press.html>]
- The U.S. Bureau of Economic Analysis/BEA provides the full text of the monthly *FT-900* plus the *FT-900 Supplement* from its Home Page at [<http://www.bea.doc.gov/>]
- The Office of Trade and Economic Analysis of the International Trade Administration in the U.S. Department of Commerce provides annual country breakdowns for U.S. exports and imports in a section titled "United States Foreign Trade Highlights," and *state export data* at [<http://www.ita.doc.gov/industry/otea>].
- STAT-USA Internet is a subscription service of the U.S. Department of Commerce which provides the *FT-900* and the *FT-900 Supplement* as well as exports and imports by commodity and by country. Trade data on STAT-USA Internet [<http://www.stat-usa.gov/>] is in the "Globus and NTDB" section. Globus represents Global Business Opportunities; NTDB is the National Trade Data Bank. STAT-USA Internet is available free in all federal depository libraries. Individual subscriptions to STAT-USA Internet are also available at [<http://www.stat-usa.gov/>].

Printed Sources of Data

- *United States Department of Commerce News. U.S. International Trade in Goods and Services*, series *FT-900*, is the official benchmark monthly press release that reports the latest month's statistics and revises the previous month's statistics. Statistics in this report are on both a Census basis and a balance of payments (BOP) basis. The December data release provides the preliminary estimate of annual trade totals, and now first appears in February. Final annual revisions are normally released in the June data release of each year, which normally appears in August. The Department of Commerce also publishes *U.S. Merchandise Trade: Monthly FT-900 Supplement*. The *FT-900 Supplement* reports U.S. imports of merchandise on both a customs basis and a CIF (cost, insurance, and freight) valuation basis. Both the *FT-900* and the *FT-900 Supplement* are available in print by subscription from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, telephone (202) 512-2303.
- *Economic Indicators*, a monthly statistical magazine prepared for the Joint Economic Committee by the Council of Economic Advisers, contains summary trade data. The table titled "U.S. International Trade

in Goods and Services,” on p. 35 of each issue contains data on both a balance of payments basis and a Census basis. *Economic Indicators* is available by subscription from the U.S. Government Printing Office.

- *Economic Report of the President*, published annually in February, contains tables that provide merchandise trade statistics on both a Census basis and a BOP basis.

Table 1. Annual Change in U.S. Merchandise Trade: Exports, Imports, and Balance—1948-2002

(Census basis as of March 2003; values in current U.S. millions of dollars)

YEAR	U.S. Merch. EXPORTS F.A.S. Value	Change From Previous Year	Change From Previous Year	U.S. Merch. IMPORTS Customs Value	Change From Previous Year	Change From Previous Year	U.S. Merch. Trade BALANCE	Change From Previous Year
1948	12,653.1	—	—	7,123.9	—	—	5,529.2	—
1949	12,051.1	-602.0	-4.8%	6,622.3	-501.6	-7.0%	5,428.8	-100.4
1950	9,992.9	-2,058.2	-17.1%	8,852.2	2,229.9	33.7%	1,140.7	-4,288.1
1951	13,967.4	3,974.5	39.8%	10,967.3	2,115.1	23.9%	3,000.1	1,859.4
1952	13,203.0	-764.4	-5.5%	10,717.5	-249.8	-2.3%	2,485.5	-514.6
1953	12,262.4	-940.6	-7.1%	10,873.3	155.8	1.5%	1,389.1	-1,096.4
1954	12,854.3	591.9	4.8%	10,215.4	-657.9	-6.1%	2,638.9	1,249.8
1955	14,290.9	1,436.6	11.2%	11,384.4	1,169.0	11.4%	2,906.5	267.6
1956	17,333.0	3,042.1	21.3%	12,614.9	1,230.5	10.8%	4,718.1	1,811.6
1957	19,494.9	2,161.9	12.5%	12,982.3	367.4	2.9%	6,512.6	1,794.5
1958	16,367.0	-3,127.9	-16.0%	12,834.5	-147.8	-1.1%	3,532.5	-2,980.1
1959	16,406.9	39.9	0.2%	15,207.2	2,372.7	18.5%	1,199.7	-2,332.8
1960	19,626.3	3,219.4	19.6%	15,017.5	-189.7	-1.2%	4,608.8	3,409.1
1961	20,189.5	7,335.2	57.1%	14,713.9	4,498.5	44.0%	5,475.6	2,836.7
1962	20,972.6	783.1	3.9%	16,389.5	1,675.6	11.4%	4,583.1	-892.5
1963	22,427.3	1,454.7	6.9%	17,138.0	748.5	4.6%	5,289.3	706.2
1964	25,690.1	3,262.8	14.5%	18,684.4	1,546.4	9.0%	7,005.7	1,716.4
1965	26,699.4	1,009.3	3.9%	21,365.6	2,681.2	14.3%	5,333.8	-1,671.9
1966	29,379.2	2,679.8	10.0%	25,542.2	4,176.6	19.5%	3,837.0	-1,496.8
1967	30,934.4	1,555.2	5.3%	26,812.3	1,270.1	5.0%	4,122.1	285.1
1968	34,062.8	3,128.4	10.1%	33,226.3	6,414.0	23.9%	836.5	-3,285.6
1969	37,331.7	3,268.9	9.6%	36,042.8	2,816.5	8.5%	1,288.9	452.4
1970	43,176.3	5,844.6	15.7%	39,951.6	3,908.8	10.8%	3,224.7	1,935.8
1971	44,086.6	910.3	2.1%	45,562.7	5,611.1	14.0%	-1,476.1	-4,700.8
1972	49,854.0	5,767.4	13.1%	55,582.8	10,020.1	22.0%	-5,728.8	-4,252.7
1973	71,865.2	22,011.2	44.2%	69,475.7	13,892.9	25.0%	2,389.5	8,118.3
1974	99,436.9	27,571.7	38.4%	103,320.8	33,845.1	48.7%	-3,883.9	-6,273.4
1975	108,855.6	9,418.7	9.5%	99,304.7	-4,016.1	-3.9%	9,550.9	13,434.8
1976	116,794.1	7,938.5	7.3%	124,613.9	25,309.2	25.5%	-7,819.8	-17,370.7
1977	123,181.5	6,387.4	5.5%	151,534.3	26,920.4	21.6%	-28,352.8	-20,533.0

YEAR	U.S. Merch. EXPORTS F.A.S. Value	Change From Previous Year	Change From Previous Year	U.S. Merch. IMPORTS Customs Value	Change From Previous Year	Change From Previous Year	U.S. Merch. Trade BALANCE	Change From Previous Year
1978	145,846.9	22,665.4	18.4%	176,052.0	24,517.7	16.2%	-30,205.1	-1,852.3
1979	186,362.7	40,515.8	27.8%	210,285.1	34,233.1	19.4%	-23,922.4	6,282.7
1980	225,566.1	39,203.4	21.0%	245,261.9	34,976.8	16.6%	-19,695.8	4,226.6
1981	238,715.0	13,148.9	5.8%	260,981.9	15,720.0	6.4%	-22,266.9	-2,571.1
1982	216,441.6	-22,273.4	-9.3%	243,951.9	-17,030.0	-6.5%	-27,510.3	-5,243.4
1983	205,638.6	-10,803.0	-5.0%	258,047.8	14,095.9	5.8%	-52,409.2	-24,898.9
1984	223,975.8	18,337.2	8.9%	330,678.4	72,630.6	28.1%	-106,702.6	-54,293.4
1985	218,814.9	-5,160.9	-2.3%	336,526.4	5,848.0	1.8%	-117,711.5	-11,008.9
1986	227,158.5	8,343.6	3.8%	365,437.7	28,911.3	8.6%	-138,279.2	-20,567.7
1987	254,121.9	26,963.4	11.9%	406,241.0	40,803.3	11.2%	-152,119.1	-13,839.9
1988	322,426.4	68,304.5	26.9%	440,952.3	34,711.3	8.5%	-118,525.9	33,593.2
1989	363,811.5	41,385.1	12.8%	473,210.8	32,258.5	7.3%	-109,399.3	9,126.6
1990	393,592.3	29,780.8	8.2%	495,310.5	22,099.7	4.7%	-101,718.2	7,681.1
1991	421,730.0	28,137.7	7.1%	488,453.0	-6,857.5	-1.4%	-66,723.0	34,995.2
1992	448,163.6	26,433.6	6.3%	532,664.8	44,211.8	9.1%	-84,501.2	-17,778.2
1993	465,091.0	16,927.4	3.8%	580,659.0	47,994.2	9.0%	-115,568.0	-31,066.8
1994	512,626.0	47,535.0	10.2%	663,255.7	82,596.7	14.2%	-150,629.7	-35,061.7
1995	584,742.0	72,116.0	14.1%	743,542.7	80,287.0	12.1%	-158,800.7	-8,171.0
1996	625,074.9	40,332.9	6.9%	795,289.2	51,746.5	7.0%	-170,214.3	-11,413.6
1997	689,182.4	64,107.5	10.3%	869,703.9	74,414.7	9.4%	-180,521.5	-10,307.2
1998	682,137.7	-7,044.7	-1.0%	911,896.1	42,192.2	4.9%	-229,758.4	-49,236.9
1999	695,797.2	13,695.5	2.0%	1,024,618.2	112,722.1	12.4%	-328,821.0	-99,062.6
2000	781,917.7	86,120.5	12.4%	1,218,022.0	193,403.8	18.9%	-436,104.3	-107,283.3
2001 ^a	729,100.3	-52,817.4	-6.8%	1,140,999.4	-77,022.6	-6.3%	-411,899.1	24,205.2
prel. 2002 ^b	693,301.7	-35,798.6	-4.9%	1,163,561.3	22,561.9	2.0%	-470,259.6	-58,360.5

a. Final 2001 annual data provided by *U.S. Department of Commerce News, FT-900* (02-06), dated August 20, 2002.

b. 2002 preliminary annual trade data obtained from *U.S. Department of Commerce News, FT-900* (03-01), March 12, 2003. Available on the Internet at [<http://www.bea.doc.gov/bea/newsrel/tradnewsrelease.htm>] and [<http://www.census.gov/indicator/www/ustrade.html>].