

# U.S. Data Review

- International trade: exports and imports improve in March; deficit slips

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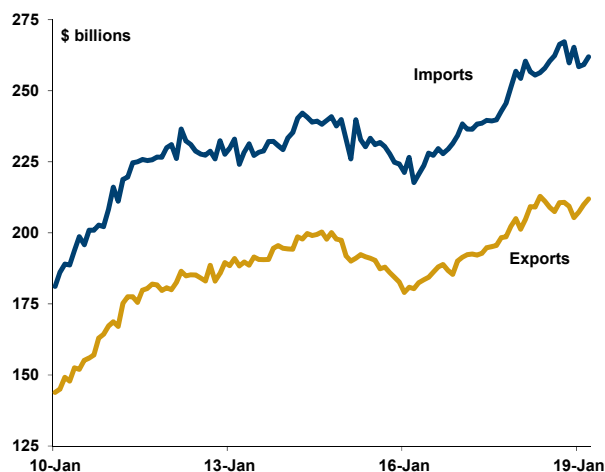
## International Trade

Both exports and imports rose approximately 1.0 percent in March. With the level of imports larger than that of exports, the percent changes led to a larger shift in imports and slippage in the deficit on a month-to-month basis. The deficit had narrowed in January and February, and the latest slippage offset only a small portion of that improvement. The latest GDP report showed that the improvement in the deficit for the first quarter added a percentage point to published growth of 3.2 percent. The March results were close to the assumptions used in that GDP estimate, and revisions to the prior two months were modest. Thus, the trade figures are likely to have little influence on the revision to Q1 GDP growth.

The increase in exports marked the third consecutive gain and offset much of the downward drift seen last year. Exports are now showing a slight increase from the year-ago level. Imports have been jumping around in recent months, leaving a net decline since last fall. Imports are still above the year-ago total, but they have eased recently (chart, left).

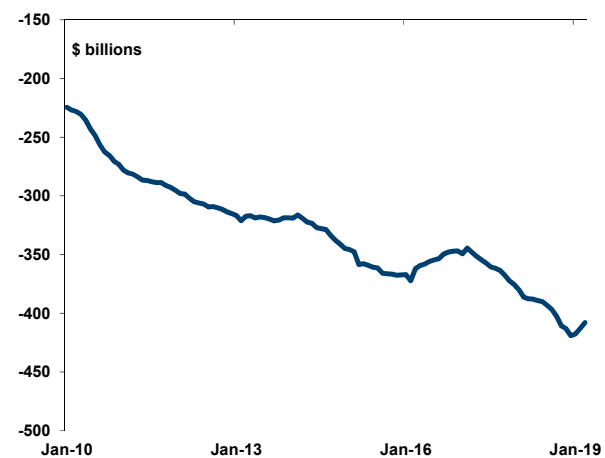
The trade war with China has constrained both sides of the trade ledger, with both exports and imports losing ground. Imports, in dollar terms, have declined more than exports have, and thus the deficit with China has narrowed, but the change has been modest thus far (chart, right). (Monthly statistics on trade by country are not seasonally adjusted; the chart shows 12-month running totals to smooth seasonal movements.)

### Nominal Imports & Exports of Goods & Services



Source: Bureau of Economic Analysis via Haver Analytics

### U.S. Trade Balance with China\*



\* 12-month moving total of not-seasonally-adjusted data.

Source: Bureau of Economic Analysis via Haver Analytics

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