

MONTHLY TRADE UPDATE

August 2004 U.S. Foreign Trade Developments (Released October 14, 2004)

Goods and Services

Exports gained \$0.1 billion (0.1 percent) in August from last month to \$96.0 billion. Year to date, exports increased 12.9 percent from the same period a year ago.

Imports gained \$3.6 billion (2.5 percent) to \$150.1 billion in August. Year to date, imports were up 15.0 percent from the same period a year ago.

The **trade deficit** for August was \$54.0 billion, \$3.5 billion more than July's revised total of \$50.5 billion. In 2003, the trade deficit was \$496.5 billion, or \$41.4 billion per month. In 2002, the trade deficit was \$421.7 billion, or \$35.1 billion per month.

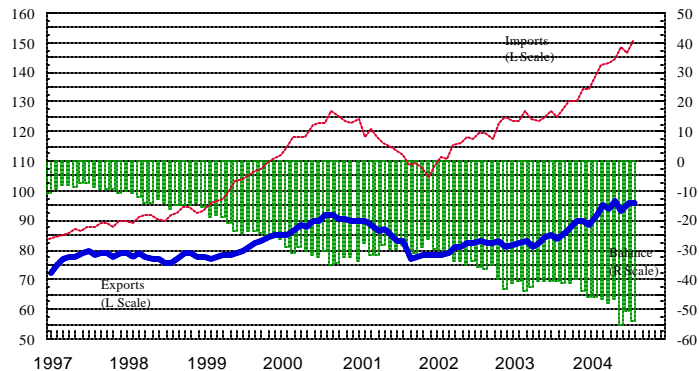
Merchandise: Merchandise exports decreased \$0.1 billion (0.1 percent) in August from July and imports increased \$2.6 billion (2.1 percent). As a result, the merchandise deficit grew to \$57.4 billion from a revised \$54.8 billion in July. Year to date, merchandise exports increased 13.2 percent compared with the same period last year. Compared to January/August 2003, merchandise imports gained 15.2 percent, and the deficit was \$639.8 billion (annual rate) compared with \$543.8 billion a year ago.

Services: Services exports were \$28.6 billion, 0.2 billion more than in July (revised), and imports increased 4.1 percent to \$25.2 billion. The August surplus was \$3.4 billion, down \$0.8 billion from July.

On a year-to-date basis, services exports increased 12.2 percent from a year ago, while service imports rose 14.4 percent. The services trade surplus was \$49.6 billion (annual rate) compared with \$49.2 billion a year ago.

U.S. INTERNATIONAL TRADE

(Billions of Dollars)



TRADE SUMMARY
(Billions of Dollars, Percent Change)

	2001	2002	2003	Yr-to-date Aug-2003	Yr-to-date Aug-2004	Yr-to-date Percent/\$ Change.
Total Exports	1007.6	975.9	1020.5	666.2	752.3	12.9%
Goods Exports	718.7	681.8	713.1	466.3	528.1	13.3%
Services Exports	288.9	294.1	307.4	199.8	224.2	12.2%
Total Imports	1365.4	1397.7	1517.0	996.0	1145.8	15.0%
Goods Imports	1145.9	1164.7	1260.7	828.9	954.6	15.2%
Services Imports	219.5	232.9	256.3	167.1	191.2	14.4%
Total Balance	-357.8	-421.7	-496.5	-329.8	-393.5	-63.7
Goods Balance	-427.2	-482.9	-547.6	-362.5	-426.6	-64.0
Services Balance	69.4	61.2	51.0	32.8	33.1	0.3

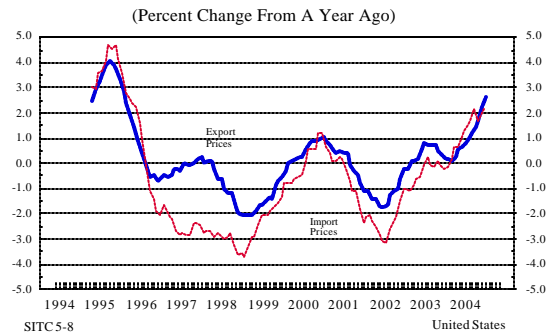
Prices of Internationally Traded Goods

In August, **prices of manufactured goods exports** were up 2.6 percent from a year ago. Prices of imported manufactured goods were up 2.2 percent.

Prices of **agricultural commodities** for export have increased 9.0 percent in the last 12 months; prices of agricultural imports rose 4.6 percent.

Prices of crude petroleum imports were up 32.0 percent from a year ago.

**EXPORT AND IMPORT PRICES OF
U.S. MANUFACTURED GOODS**

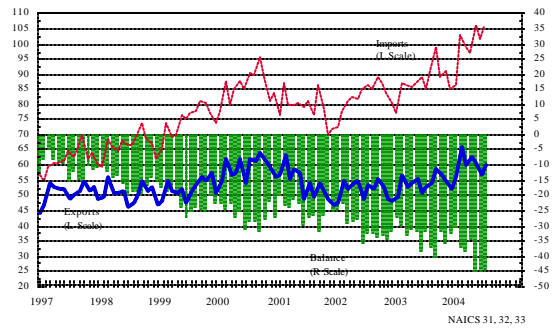


Industry Analysis: Year to date, U.S. exports increased 12.9 percent from a year ago, while imports gained 15.0 percent and the trade deficit (annual rate) swelled by \$95.6 billion. The trade deficit in manufacturing, at an annual rate, worsened by \$79.6 billion; and the surplus in agriculture improved by \$3.9 billion. In energy, the deficit deteriorated by \$33.5 billion (annual rate); and the surplus in services increased by \$0.4 billion.

Manufactures: Year to date, manufactured goods exports totaled \$474.8 billion, up 12.7 percent from a year ago, while imports were \$784.1 billion, up 15.7 percent. The deficit in manufactures, thus far this year, was \$463.9 billion (annual rate) compared with \$384.2 billion a year ago.

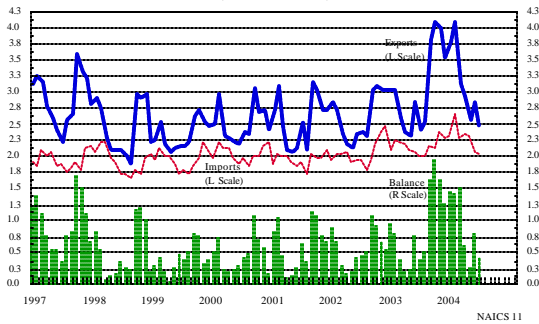
MANUFACTURING

(Billions of Dollars)



AGRICULTURE, FORESTRY, & FISHING

(Billions of Dollars)

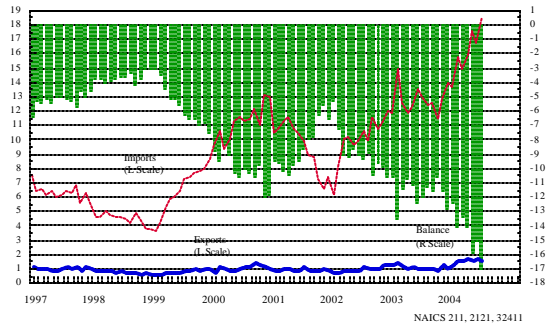


Agriculture, Forestry and Fishing: Year to date, agricultural goods exports totaled \$25.4 billion, up 17.3 percent from a year ago, while imports were \$18.3 billion, up 5.2 percent. The surplus in agricultural trade was \$11.6 billion (annual rate), compared with \$6.4 billion a year ago.

Mineral Fuels: Year to date, exports of mineral fuels totaled \$11.7 billion, up 28.5 percent from a year ago, while imports were \$126.9 billion, up 24.4 percent. The trade deficit was \$172.8 billion (annual rate), compared with \$139.3 billion in the same period a year ago.

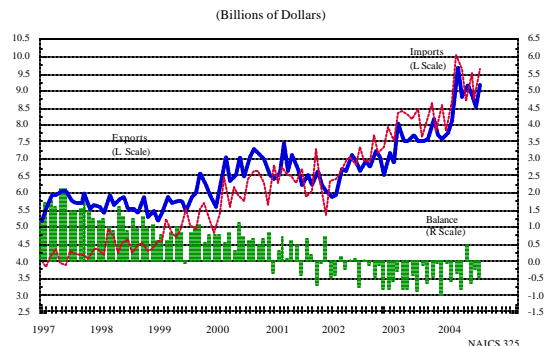
ENERGY

(Billions of Dollars)

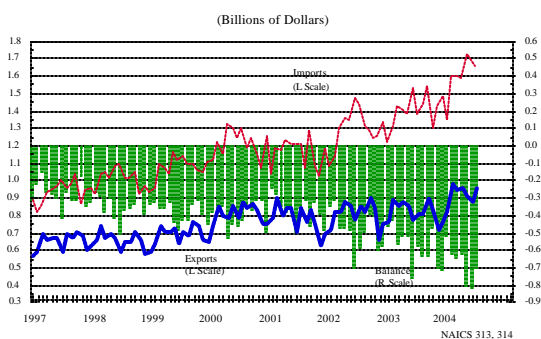


Chemicals: Year to date, exports totaled \$70.2 billion, up 17.0 percent from a year ago, while imports were \$72.9 billion, up 12.5 percent. The trade deficit was \$4.1 billion, at an annual rate, compared with \$7.2 billion a year ago.

CHEMICALS



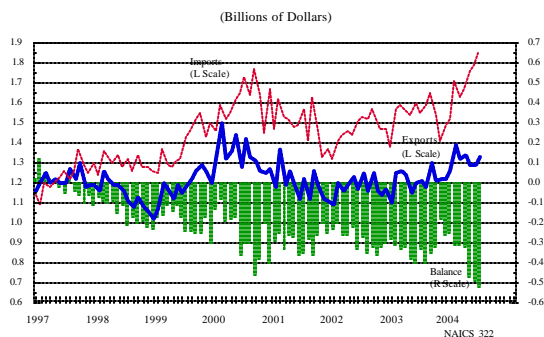
TEXTILES



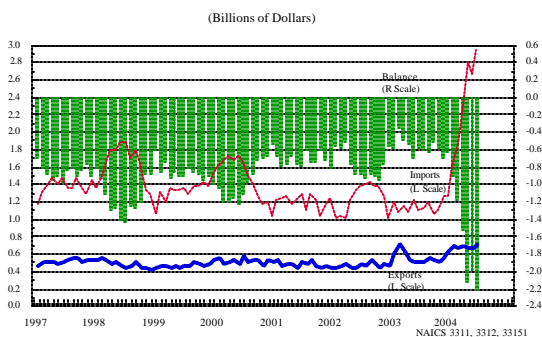
Textiles: Year to date, exports totaled \$7.2 billion, up 10.1 percent from a year ago, while imports were \$12.7 billion, up 15.6 percent. The trade deficit (annual rate), thus far this year, was \$8.2 billion compared with \$6.7 billion a year earlier.

Paper and Paperboard: Year to date, exports totaled \$10.4 billion, up 9.2 percent from a year ago, while imports were \$13.4 billion, up 9.5 percent. The trade deficit (annual rate), thus far this year, was \$4.4 billion, compared with \$4.0 billion a year ago.

PAPER AND PAPERBOARD



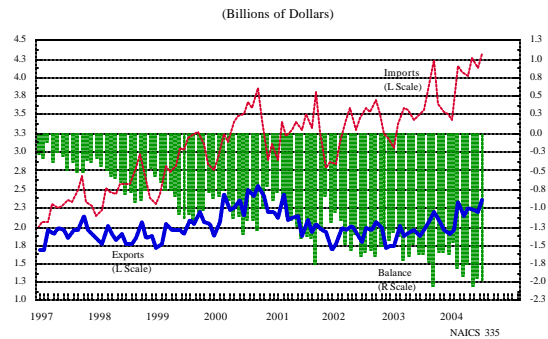
IRON AND STEEL MILL PRODUCTS



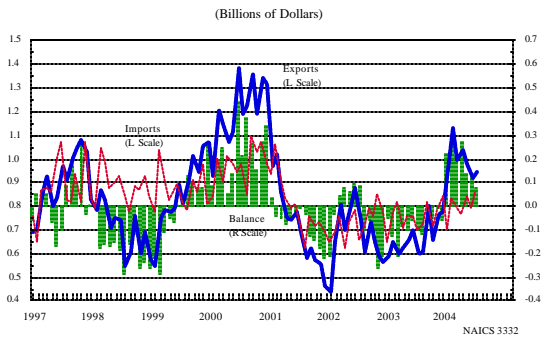
Iron & Steel Mill Products: Year to date, exports totaled \$5.3 billion, up 18.0 percent from a year ago, while imports were \$16.6 billion, up 82.4 percent. The trade deficit (annual rate), thus far this year, was \$17.0 billion, compared with \$7.0 billion a year ago.

Electrical Equipment: Year to date, exports totaled \$17.4 billion, up 15.6 percent from a year ago, while imports were \$32.0 billion, up 17.2 percent. Trade was in deficit of \$21.9 billion (annual rate) thus far in 2004, compared with a deficit of \$18.4 billion a year ago.

ELECTRICAL EQUIPMENT



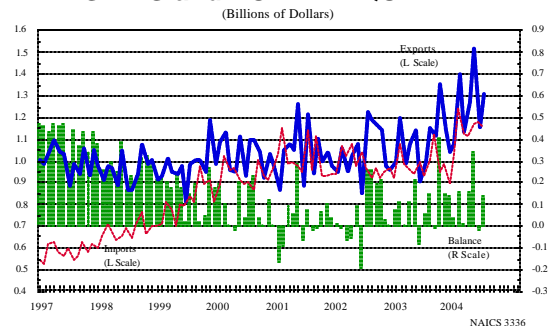
INDUSTRIAL MACHINERY



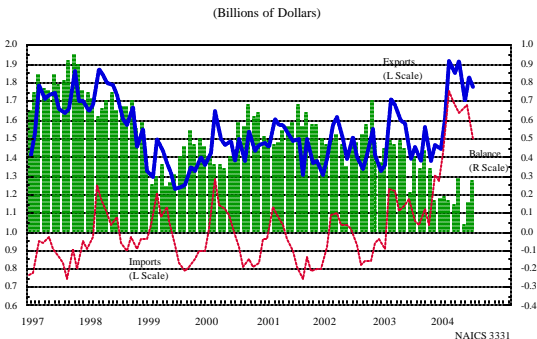
Industrial Machinery: Year to date, exports totaled \$7.7 billion, up 54.4 percent from a year ago, while imports were \$6.4 billion, up 8.1 percent. Trade was in surplus \$1.9 billion (annual rate) thus far in 2004, compared with a deficit of \$1.4 billion a year ago.

Engines and Power Equipment: Year to date, exports totaled \$9.9 billion, up 20.1 percent from a year ago, while imports were \$8.9 billion, up 14.8 percent. Trade was in surplus \$1.5 billion (annual rate) thus far in 2004, compared with a surplus of \$0.7 billion a year ago.

ENGINES and POWER EQUIPMENT



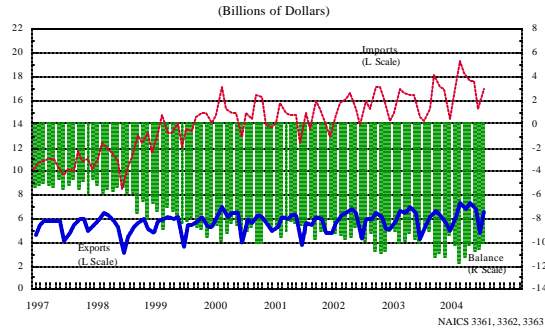
SPECIALIZED INDUSTRIAL MACHINERY



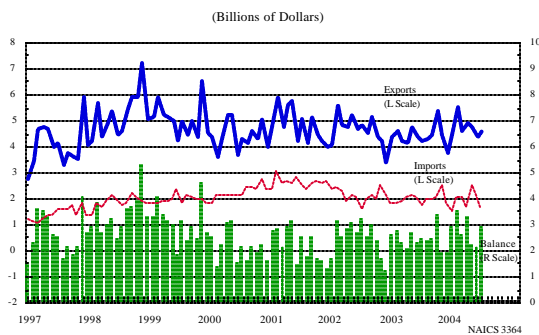
Specialized Industrial Machinery: Year to date, exports totaled \$14.1 billion, up 16.0 percent from a year ago, while imports were \$12.6 billion, up 43.5 percent. Trade was in surplus \$2.1 billion (annual rate), compared with a surplus of \$5.0 billion a year ago.

Motor Vehicles and Parts: Year to date, exports totaled \$51.2 billion, up 7.2 percent from a year ago, while imports were \$136.0 billion, up 9.5 percent. Trade was in deficit \$127.2 billion (annual rate) thus far in 2004, compared with \$114.7 billion a year ago.

MOTOR VEHICLES AND PARTS



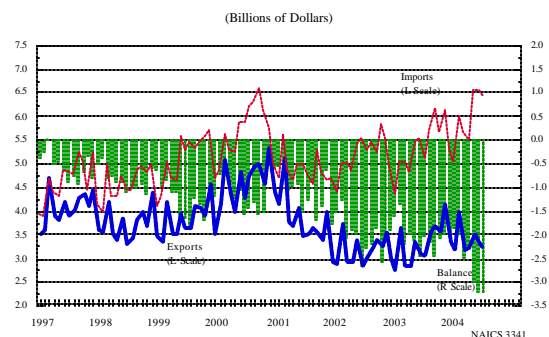
AEROSPACE PRODUCTS AND PARTS



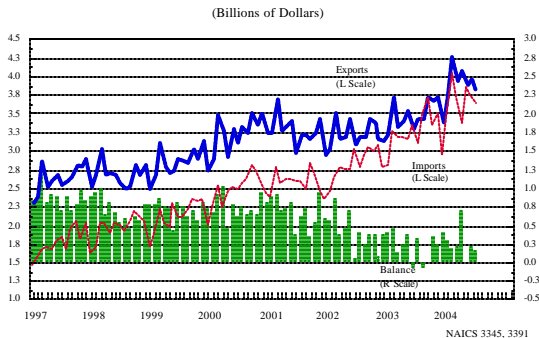
Aerospace Products and Parts: Year to date, exports totaled \$37.1 billion, up 8.8 percent from a year ago, while imports were \$15.5 billion, down 0.8 percent. Trade was in surplus \$32.3 billion (annual rate) thus far in 2004, compared with \$27.7 billion a year ago.

Computer and Peripheral Equipment: Year to date, exports totaled \$27.0 billion, up 9.6 percent from a year ago, while imports were \$47.1 billion, up 16.7 percent. Trade was in deficit \$30.2 billion (annual rate) thus far in 2004, compared with \$23.6 billion a year ago.

COMPUTER & PERIPHERAL EQUIPMENT



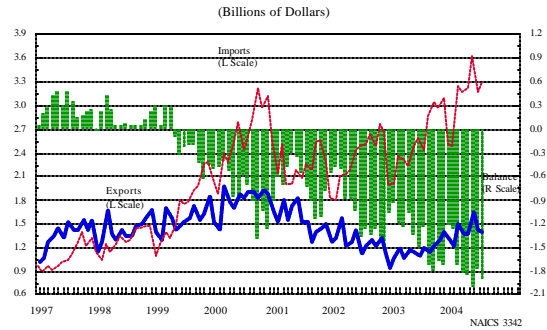
SCIENTIFIC INSTRUMENTS



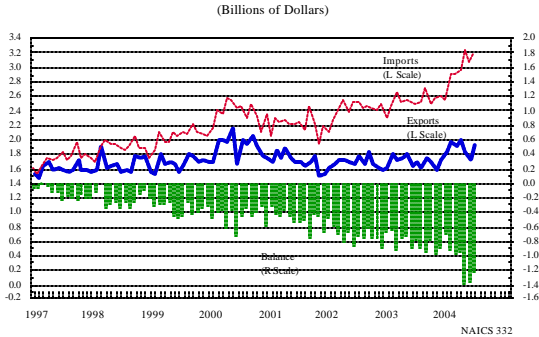
Scientific Instruments: Year to date, exports totaled \$31.1 billion, up 14.8 percent from a year ago, while imports were \$28.9 billion, up 16.2 percent. Trade was in surplus \$3.3 billion (annual rate) thus far in 2004, compared with \$3.4 billion a year ago.

Communication Equipment: Year to date, exports totaled \$11.2 billion, up 26.0 percent from a year ago, while imports were \$24.7 billion, up 33.8 percent. Trade was in deficit \$20.2 billion (annual rate) thus far in 2004, compared with \$14.3 billion a year earlier.

COMMUNICATIONS EQUIPMENT



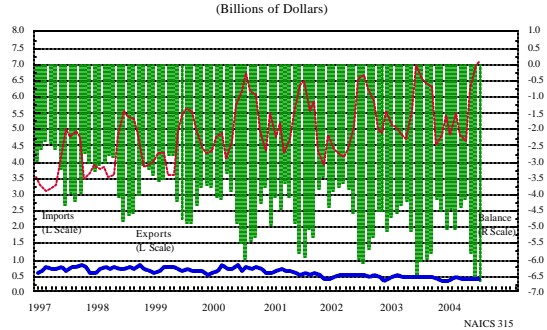
METAL MANUFACTURES



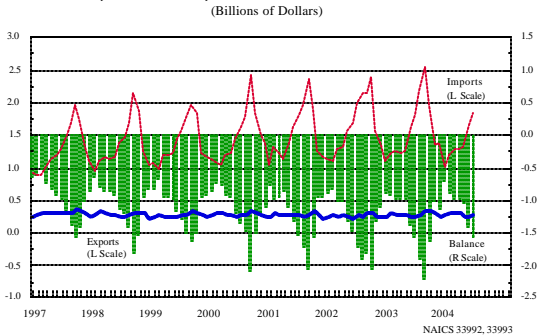
Metal Manufactures: Year to date, exports totaled \$15.0 billion, up 9.5 percent from a year ago, while imports were \$23.5 billion, up 17.0 percent. Trade was in deficit \$12.7 billion (annual rate) thus far in 2004, compared with \$9.6 billion a year ago.

Apparel: Year to date, exports totaled \$3.4 billion, down 10.7 percent from a year ago, while imports were \$45.6 billion, up 2.6 percent. Trade was in deficit \$63.4 billion (annual rate) so far this year, compared with \$61.1 billion a year ago.

APPAREL



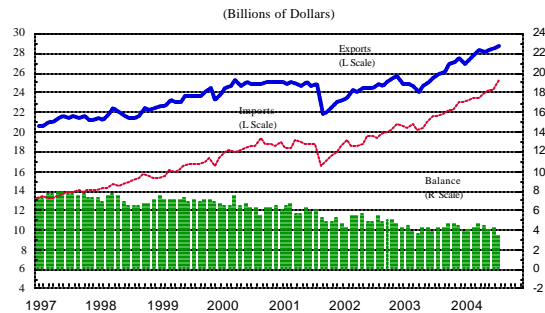
TOYS, GAMES, AND SPORTING GOODS



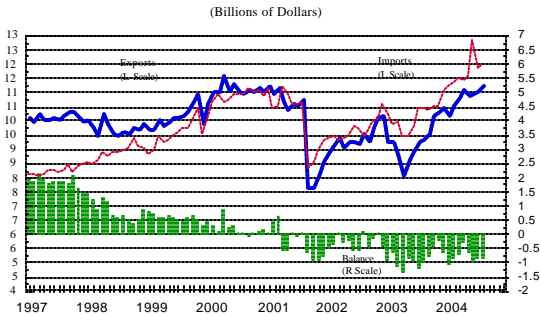
Toys, Games, and Sporting Goods: Year to date, exports totaled \$2.2 billion, up 5.7 percent from a year ago, while imports were \$11.0 billion, up 0.5 percent. Trade was in deficit \$13.1 billion (annual rate) thus far in 2004, compared with \$13.2 billion a year earlier.

Services: Year to date, exports totaled \$224.2 billion, up 12.2 percent from a year ago, while imports were \$191.2 billion, up 14.4 percent. The trade surplus was \$49.6 billion (annual rate) thus far in 2004. This compares with a \$49.2 billion surplus in the same period last year.

U.S. SERVICES TRADE



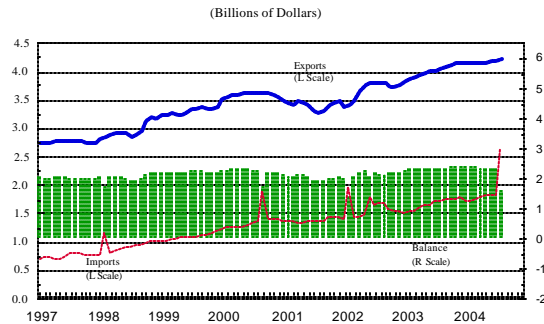
U.S. TRADE IN TRAVEL AND TRANSPORT



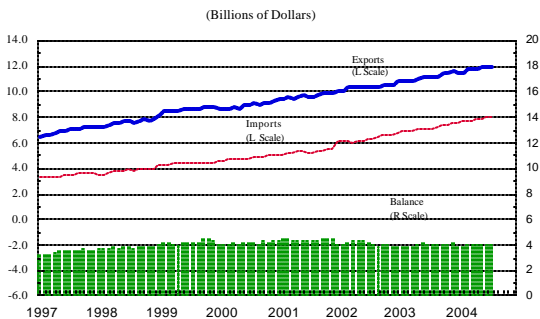
Travel & Transportation: Year to date, exports totaled \$86.7 billion, up 21.2 percent from a year ago, while imports were \$93.9 billion, up 17.7 percent. The trade deficit was \$9.5 billion (annual rate) thus far in 2004. This compares with \$12.3 billion in the same period last year.

Royalties: Year to date, exports totaled \$33.4 billion, up 5.5 percent from a year ago, while imports were \$15.2 billion, up 17.0 percent. The trade surplus was \$27.3 billion (annual rate) thus far in 2004. This compares with a \$28.0 billion surplus in the same period last year.

U.S. TRADE IN ROYALTIES & LICENSE FEES



U.S. TRADE IN BUSINESS SERVICES

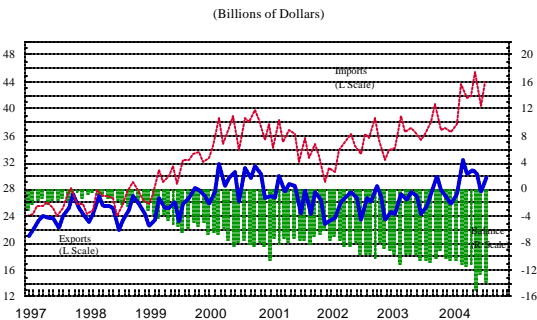


Business Services: Year to date, exports totaled \$94.2 billion, up 6.9 percent from a year ago, while imports were \$62.5 billion, up 11.3 percent. The trade surplus was \$47.5 billion (annual rate) thus far in 2004. This compares with a \$47.9 billion surplus in the same period last year.

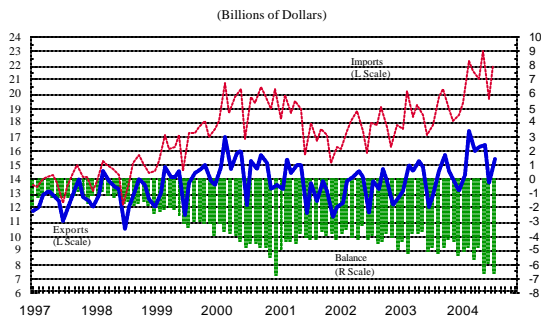
Country Analysis: Western Hemisphere

Western Hemisphere: Year to date, exports totaled \$234.9 billion, up 13.2 percent from a year ago, while imports were \$331.6 billion, up 14.9 percent. The trade deficit was \$145.0 billion (annual rate) thus far in 2004. This compares with \$121.5 billion in the same period last year.

U.S. TRADE WITH WESTERN HEMISPHERE



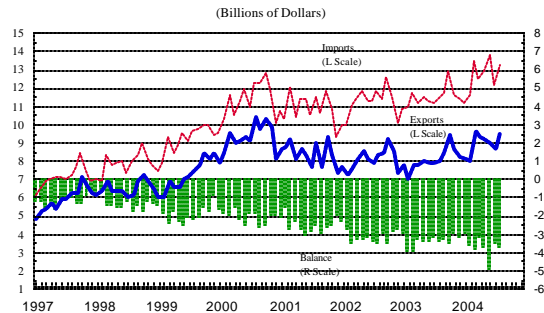
U.S. TRADE WITH CANADA



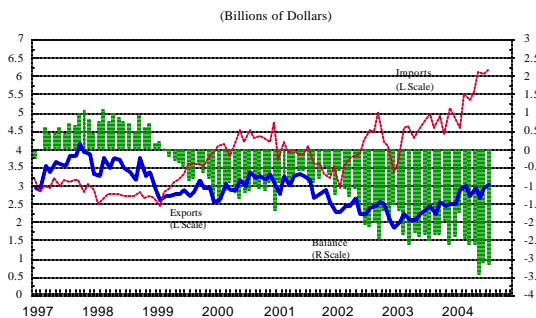
Canada: Year to date, exports totaled \$123.1 billion, up 10.7 percent from a year ago, while imports were \$167.8 billion, up 14.3 percent. The trade deficit was \$67.0 billion (annual rate) thus far in 2004. This compares with \$53.5 billion in the same period last year.

Mexico: Year to date, exports totaled \$71.8 billion, up 14.8 percent from a year ago, while imports were \$101.3 billion, up 12.4 percent. The trade deficit was \$44.3 billion (annual rate), compared with \$41.5 billion this time last year.

U.S. TRADE WITH MEXICO



U.S. TRADE WITH SOUTH AMERICA

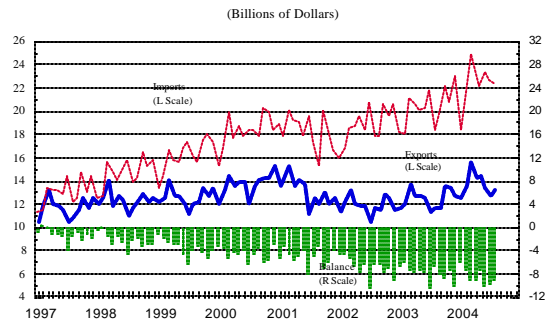


South America: Year to date, exports totaled \$22.7 billion, up 31.3 percent from a year ago, while imports were \$44.2 billion, up 26.9 percent. The trade deficit was \$32.3 billion (annual rate), compared with \$26.3 billion this time last year.

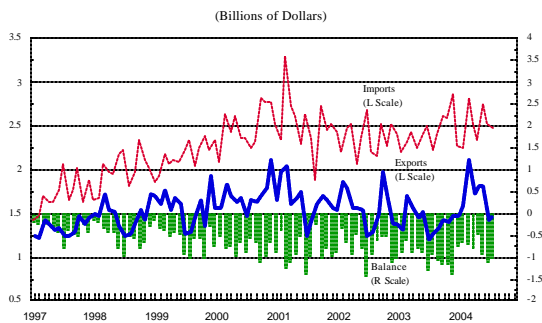
Country Analysis: Europe

European Union: Year to date, exports totaled \$110.3 billion, up 11.5 percent from a year ago, while imports were \$178.7 billion, up 12.5 percent. The trade deficit was \$102.7 billion (annual rate), compared with \$89.8 billion this time last year.

U.S. TRADE WITH EUROPEAN UNION



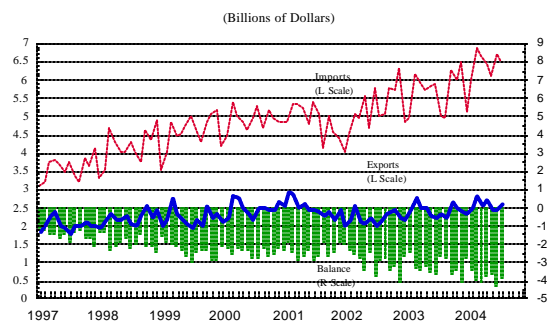
U.S. TRADE WITH FRANCE



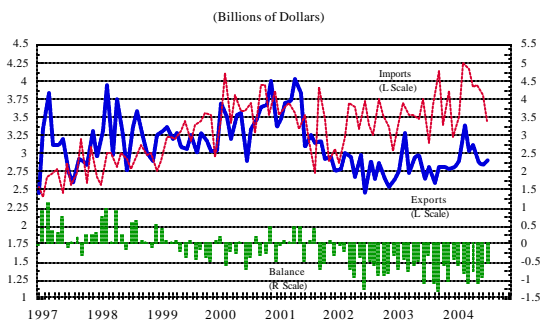
France: Year to date, exports totaled \$13.4 billion, up 17.8 percent from a year ago, while imports were \$20.0 billion, up 6.8 percent. The trade deficit was \$9.8 billion (annual rate), compared with \$11.0 billion this time last year.

Germany: Year to date, exports totaled \$20.4 billion, up 6.8 percent from a year ago, while imports were \$50.3 billion, up 13.6 percent. The trade deficit was \$44.9 billion (annual rate), compared with \$37.8 billion this time last year.

U.S. TRADE WITH GERMANY



U.S. TRADE WITH UNITED KINGDOM

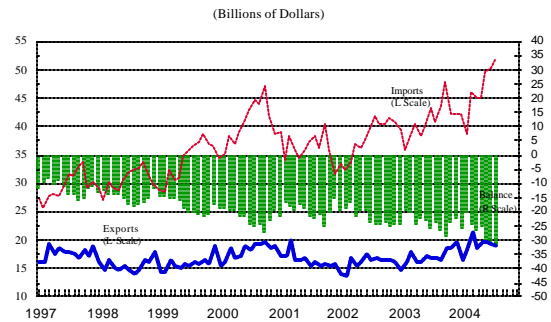


United Kingdom: Year to date, exports totaled \$23.9 billion, up 4.6 percent from a year ago, while imports were \$30.3 billion, up 9.6 percent. The trade deficit was \$9.5 billion (annual rate), compared with \$7.1 billion a year ago.

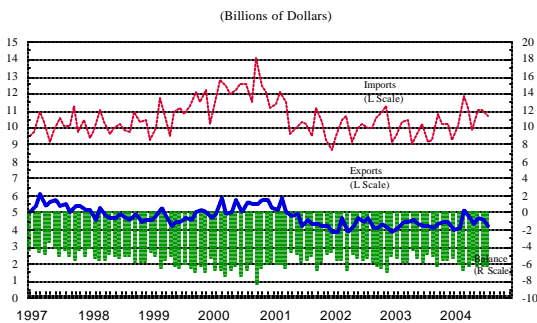
Country Analysis: Asia

Asia: Year to date, exports totaled \$152.9 billion, up 14.9 percent from a year ago, while imports were \$369.2 billion, up 16.6 percent. The trade deficit was \$324.4 billion (annual rate), compared with \$275.2 billion this time last year.

U.S. TRADE WITH ASIA



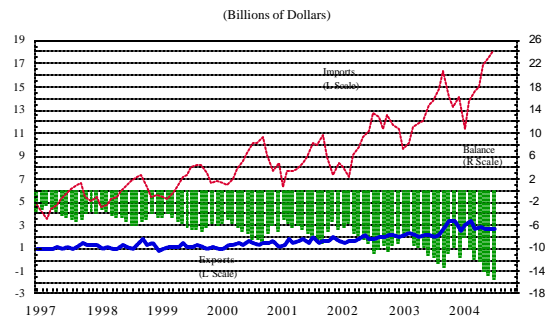
U.S. TRADE WITH JAPAN



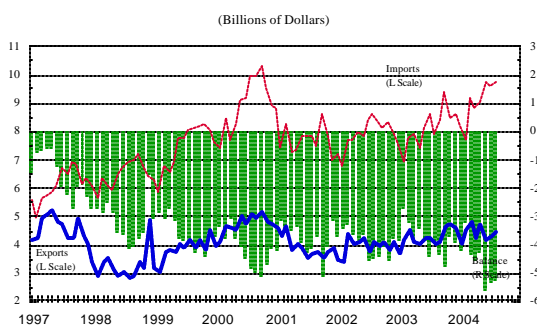
Japan: Year to date, exports totaled \$36.0 billion, up 4.2 percent from a year ago, while imports were \$85.1 billion, up 9.8 percent. The trade deficit was \$73.7 billion (annual rate) thus far in 2004. This compares with \$64.5 billion in the same period last year.

China: Year to date, exports totaled \$22.7 billion, up 35.0 percent from a year ago, while imports were \$121.5 billion, up 29.5 percent. The trade deficit with China was \$148.2 billion (annual rate), compared with \$115.5 billion a year ago.

U.S. TRADE WITH CHINA



U.S. TRADE WITH ASIAN CRISIS COUNTRIES



Asian Financial Crisis Countries (Korea, Indonesia, Malaysia, Philippines, Thailand): Year to date, exports totaled \$35.4 billion, up 6.6 percent from a year ago, while imports were \$72.1 billion, up 15.7 percent. The trade deficit was \$55.0 billion (annual rate), compared with \$43.6 billion a year ago.