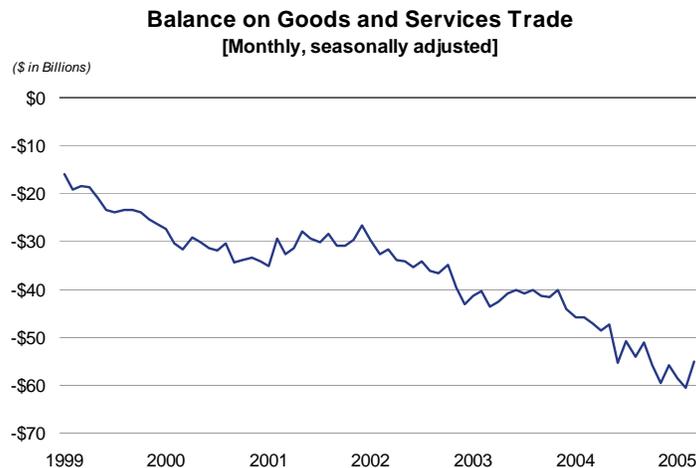




TRADE GAP NARROWS IN MARCH 2005

U.S. international trade in goods and services

The U.S. monthly goods and services deficit narrowed in March 2005, according to the U.S. Bureau of Economic Analysis and the U.S. Census Bureau. The deficit decreased \$5.6 billion from \$60.6 billion in February (revised) to \$55.0 billion in March, as imports decreased and exports increased.



Exports

Exports of goods and services increased \$1.5 billion in March to \$102.2 billion, as both goods exports and services exports increased.

- The increase in goods exports was more than accounted for by increases in *capital goods* and in *foods, feeds, and beverages*.
- The increase in services exports reflected increases in *other private services, travel, and other transportation*.

Imports

Imports of goods and services decreased \$4.1 billion in March to \$157.2 billion, as a result of a decrease in goods imports. Services imports increased slightly.

- The decrease in goods imports mostly reflected decreases in *consumer goods* and in *automotive vehicles, parts, and engines*.
- The increase in services imports was more than accounted for by increases in *travel* and in *other private services*. *Other transportation* decreased.

Goods by geographic area (not seasonally adjusted)

- The goods deficit with China decreased from \$13.9 billion in February to \$12.9 billion in March. Exports increased \$0.2 billion to \$3.3 billion, while imports decreased \$0.7 billion to \$16.2 billion.
- The goods deficit with Japan increased from \$6.9 billion in February to \$7.8 billion in March. Exports increased \$0.9 billion to \$5.0 billion, while imports increased \$1.8 billion to \$12.8 billion.
- The goods deficit with Canada decreased from \$5.8 billion in February to \$5.0 billion in March. Exports increased \$2.7 billion to \$18.9 billion, while imports increased \$2.0 billion to \$23.9 billion.

BEA's data—including GDP, personal income, the balance of payments, direct investment, the input-output accounts, and economic data for states, local areas, and industries—are available on its Web site: www.bea.gov.

NOTE: This and more information is provided in the May 11 press release issued by the U.S. Bureau of Economic Analysis and the U.S. Census Bureau, U.S. International Trade in Goods and Services: March 2005. The next release is June 10, 2005.

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