

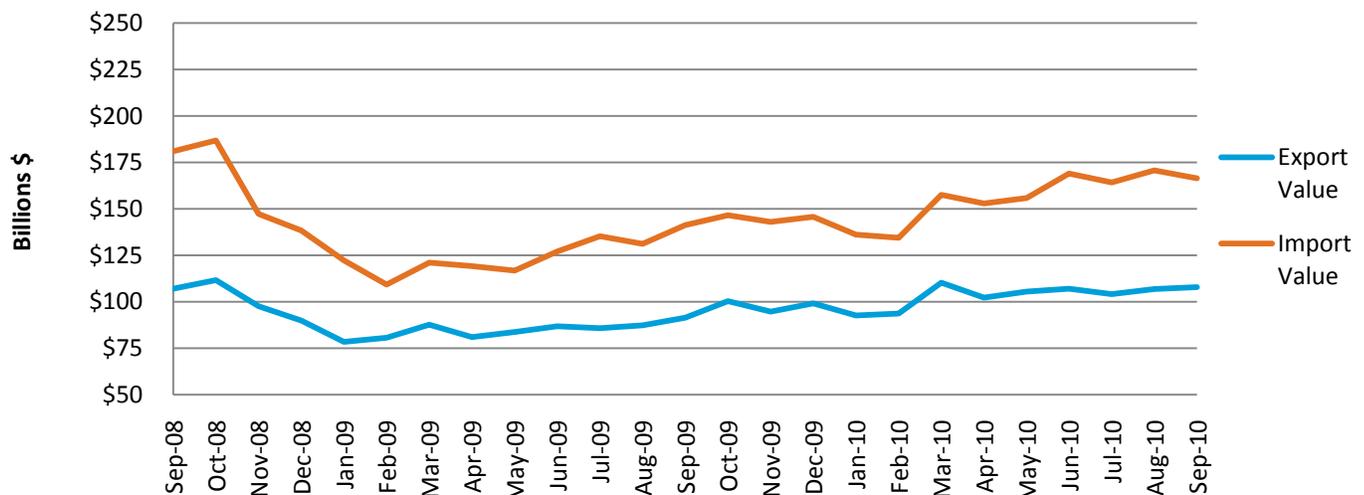
# Zepol U.S. Census Merchandise Trade Data

## Five Interesting Items Found Deep in September's Trade Data

### September 2010 Update and Analysis

The U.S. Census Bureau released its Merchandise Trade data numbers on November 10<sup>th</sup> for September 2010. The Merchandise Trade balance increased 20.1% over last September and shrank 8.2% from the previous month. Imports fell 2.6% from August and gained 19.2% over last year, while exports increased by 0.9% from the previous month and 18.7% over September 2009.

### U.S. Import/Export Merchandise Trade Data



Two pieces of good news for U.S. manufacturers are seen in September's trade data numbers. The first is the month over month increase of exports as they slowly increased through the economic recovery. However, this is nowhere near the speed that President Obama will need to meet his export initiative goals. The second item is that exports have reached their 2008 levels, but Zepol predicts that October will not likely meet October 2008's totals.

Below, Zepol highlights some of the surprises and interesting notes within this month's Merchandise Trade results. While the U.S. government provides a high level view of trade, a trade data tool is needed to dig into the numbers and see what is happening on the ground level. Here is what we found:

### **Five Interesting Items Found Deep in September's Trade Data**

#### 1. Is Christmas in September or October this year?

Toys are the most sought after items during the Holiday season, however with the popularity of just-in-time supply chains, shipments are arriving right when major retailers need them for their shelves. This September saw a bump of 8.8% over August for Toys (HTS Code – [95](#)). Previous years have increased in a similar manner as the last quarter nears: 19.6% in 2009, 16.9% in 2008, and 23.4% in 2007. The last two years show increases on average of 9.3% from September to October and then a decrease of 20.1% for October to November.

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### 2. Korean Free Trade Agreement awaits the next Congress

South Korea is one of the United States' most important trading partners, representing over \$64 billion in total trade year to date. As our seventh largest trading partner and the host of G20 summit this November, South Korea is in the spot light. If the trade agreement with South Korea passes Congress, we can expect an increase in the most important import and export products listed below:

HTS Code	YTD Export \$
848620 - Machines And Apparatus For The	\$1,691,855,316
880000 - CIVILIAN AIRCRAFT, ENGINES,	\$1,323,705,737
100590 - Corn (maize), Other Than Seed Corn	\$1,039,155,149
720449 - Ferrous Waste And Scrap, Nesoi	\$721,020,007
854129 - Transistors, Other Than Photosensitive, Nesoi	\$640,604,523

HTS Code	YTD Import \$
851712 - Telephones For Cellular Networks	\$5,296,355,552
870323 - Passenger Motor Vehicles With	\$3,823,631,521
847330 - Parts And Accessories For Automatic Data Processing Machines And Units Thereof, Magnetic Or Optical Readers,	\$1,971,555,839
271019 - Petroleum Oils And Oils From Bituminous Minerals (other Than Crude) And	\$1,426,252,276
854239 - Electronic Integrated Circuits, Nesoi	\$1,101,759,236

### 3. China's trade surplus indicates a change in their trading partners

According to [CNNMoney.com](http://CNNMoney.com), China's overall trade surplus increased 61% in October over September. This happened while imports to the United States slightly reduced. This could be seen in a shift in what countries that China does business with, not that trade ties with the U.S. will weaken. However, China's sights may be on other markets, especially other Asian nations. Inter-Asia shipping was one area of growth during the recession and is likely to continue to increase as China looks for more customers for its products.

### 4. Peak shipping season changes seen in September

As reported in last month's edition, it appears that the shipping season surge happened early this year as importers planned further ahead to ensure they secured space on vessels. After August's increases, September's total imports dropped 2.6%. Containerized weight also saw a decrease of 6.8% from August including a drop of 7.1% for Asian origin shipments.

### 5. Can trade grow on green products?

One of the areas that many believe will lead the United States out of the recession is green products, such as wind turbines. While many hope that the U.S. can manufacture these domestically and export them to the rest of the world, the U.S. is also seen as a huge market for foreign manufacturers. [Forbes](http://Forbes) has great article about the offshore wind capacity of the United States illustrating this fact. During September, the U.S. imported about \$4 million in wind turbines (HTS - [8412.90.9080](http://www.zepol.com/8412.90.9080)) and exported over \$19 million (HTS Code - [8412.90.9080](http://www.zepol.com/8412.90.9080)).

Zepol Corporation provides trade intelligence tools, TradeIQ™ and TradeView™, for analyzing the United States trade marketplace. TradeIQ™ is an up-to-date U.S. Customs import Bill of Lading database and is available through an online interface. TradeView™ provides access to U.S. Census data to visualize the import and export economy. For access to Zepol's tools, visit [www.zepol.com](http://www.zepol.com) and register for a free trial or demonstration. Additional trade data information is available from Zepol's Trade Data Blog at [www.zepol.com/blog](http://www.zepol.com/blog). [Click here](#) to view Zepol's containerized import update for October.

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