

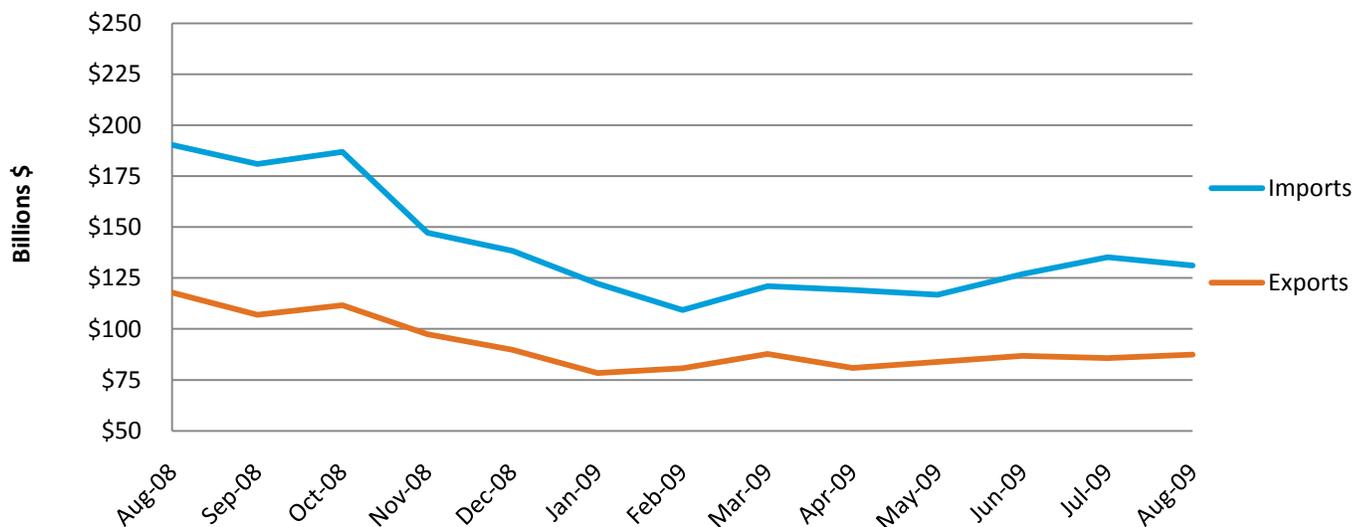
# Zepol U.S. Census Merchandise Trade Data

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

### August 2009 Update and Analysis

The U.S. Census Bureau released their Merchandise Trade data numbers on October 9th, 2009. August was the first month since April that the merchandise trade deficit decreased. Weaker Import activity was the main cause, however Exports did slightly increase to compound an 11.6% decrease over July's deficit ([click here to see July's U.S. Census data update](#)). Overall, trade activity mirrors the "jobless" recovery that many economists have warned against.

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



Export totals for August are the positive numbers to pull out from this month's update with a 2.0% increase in total value from July, but this is still a 26% decline from August of 2008. The decrease in Imports of 3.0% should be the number that concerns policy makers as it points to retailers and manufacturers' lack of confidence in consumers. As a total, Imports are only 69% of last August's Import level, the challenge of regaining trade losses looks to be daunting.

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 of trade. Here is what we found:

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

1. Tire importers are not the only companies who are concerned with the tariff on Chinese tires Over the last 12 months, the United States has imported \$1.297 billion in tires from China. This is a significant amount of product that will surely decrease as the price of Imports jumps 35%. China's retaliatory tariffs on chicken meat exports (\$639 million over the last 12 months) and auto parts (\$714 million over the last 12 months of End Use Code 302) should worry U.S. exporters as they target two growing sectors of our trade with China making up over 2% of Exports.

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

### 2. BRICs countries make up half of the U.S. trade deficit in 2009

While the trade deficit shrunk in August, for the year to date much of the trade balance is from BRICs countries and more specifically China. Still the United States has more balanced trade relations with Brazil, Russia, and India, giving hope to working more on free trade with the developing world.

Country	Export Value	Import Value	Value Balance
Brazil	\$16,457,803,985	\$13,011,576,546	\$3,446,227,439
Russia	\$3,462,707,209	\$12,186,329,481	(\$8,723,622,272)
India	\$10,831,460,036	\$13,599,128,808	(\$2,767,668,772)
China	\$41,215,688,001	\$184,915,545,888	(\$143,699,857,887)
<b>TOTAL</b>	<b>\$71,967,659,231</b>	<b>\$223,712,580,723</b>	<b>(\$151,744,921,492)</b>
<b>Percent of U.S. Trade</b>	<b>10.7%</b>	<b>22.8%</b>	<b>48.9%</b>

### 3. Consumer goods are driving Exports

Based on Exports' End Use, Consumer Goods have decrease only 12% over the last year. While this number is a significant decrease, it pales in comparison to all other Export categories as they have decreased 28%. Most of the increase of Exports over the last month was from Autos as their Exports were up 33%. This is good news for American car manufacturers; unfortunately Exports are at the same level as December 2008, the middle of the global economic collapse.

### 4. Containerized volumes for Pacific ports lag behind the rest of the country

When comparing the last 12 months (August 2009 to July 2008) and the previous 12 month time period, Pacific ports are down 9.4% versus a decrease of 4.7% for all other ocean ports. This should be concerning to port authorities on the west coast, as the expansion of the Panama Canal will bring increased competition. In addition, increased taxes in Southern California may cause importers and exporters to ship their products directly to Gulf or Atlantic coast ports.

### 5. Toy Imports will suffer in 2009

Earlier this month, both Target and Wal Mart announced that they will significantly reduce prices on toys. As two of the top toy retailers in the United States, it could be expected that toy imports will increase, however it is Zepol's prediction that 2009's Holiday season will show significantly smaller Imports of Toys when compared to 2008 and 2007. This has already begun with year to date Toy Imports (HTS - 9501, 9502, 9503, 9504, and 9505) being off 12.7% and 10.4% respectively from previous year totals. If similar numbers are seen in the coming months, 2009 may be the end of many more toy makers as they are already struggling under the requirements of the Safe Toy Act.

Zepol Corporation provides trade data 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 one of Zepol's trade data 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 September.