



The World Market: Overview of U.S. trade

Christopher J. Neely

**Federal Reserve Bank of St. Louis
Annual Teachers' Conference**

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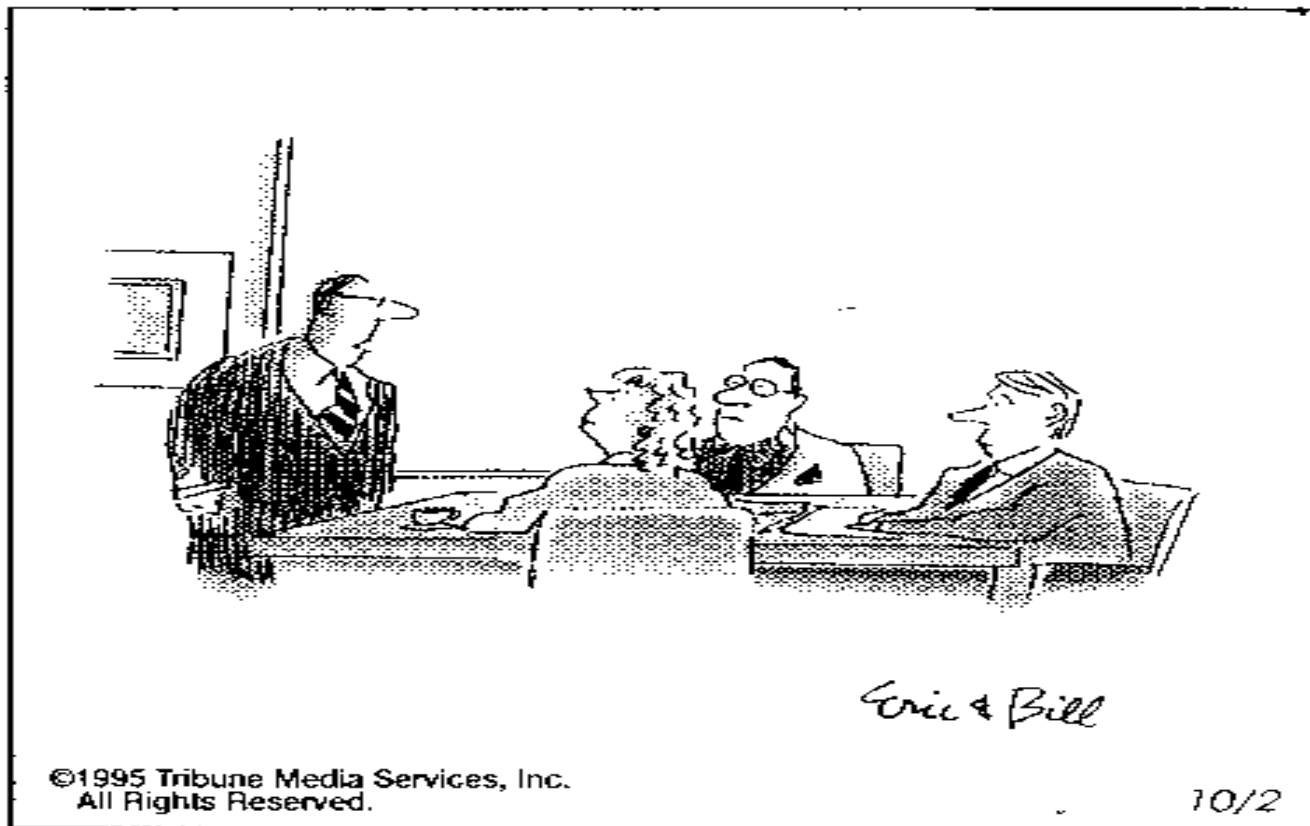
Little Rock: August 3, 2005

St. Louis: October 25-26, 2005

Memphis: October 27, 2005

Disclaimer: The views expressed are my own and do not necessarily reflect official positions of the Federal Reserve Bank of St. Louis, or the Federal Reserve System.

BOTTOM LINERS



“The views and opinions I’ve expressed in this meeting are not necessarily my views and opinions.”

Today's agenda

1. Overview of U.S. trade statistics.
2. Reasons for trade/benefits
3. The current account
4. Trade negatives



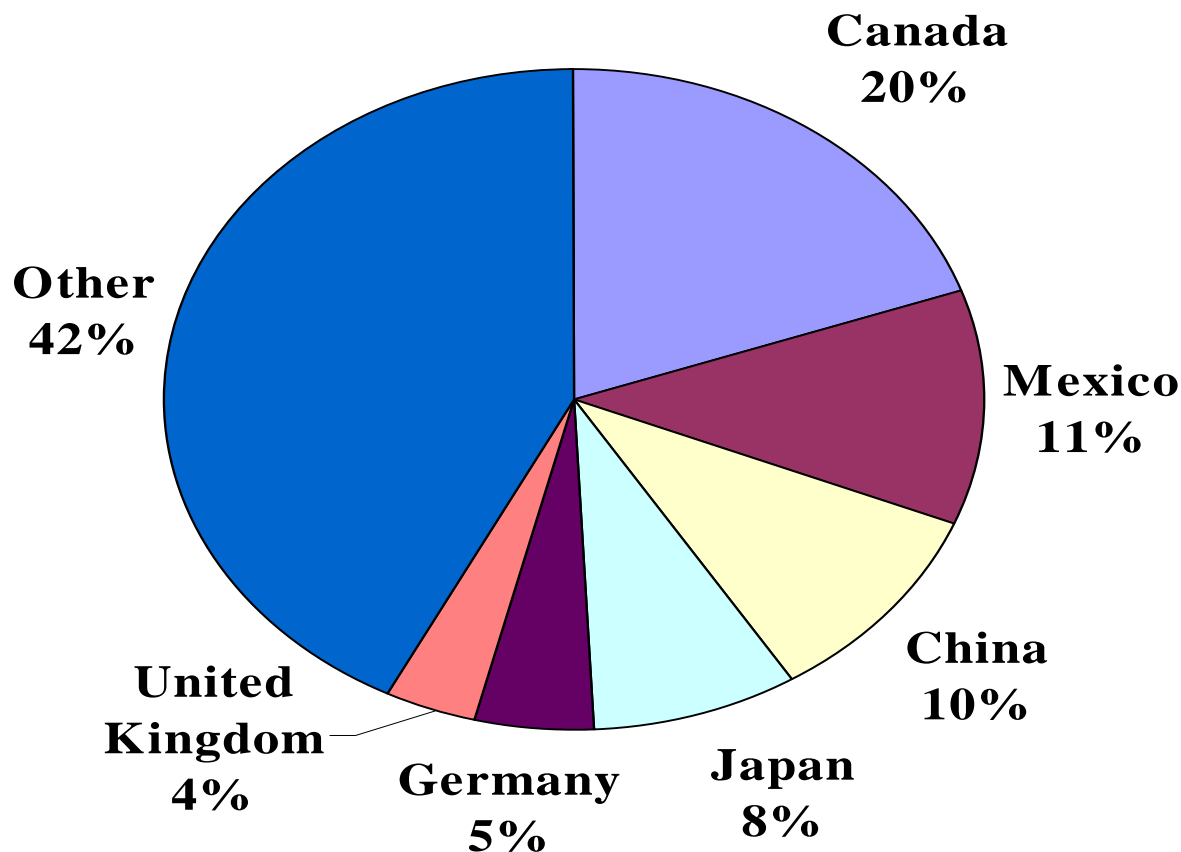


U.S. trading partners

Trading partners in 2005: Canada, Mexico, China, Japan, & Germany

Percentage Share of U.S. Trade (2005)

*Source: U.S. Department of the Census

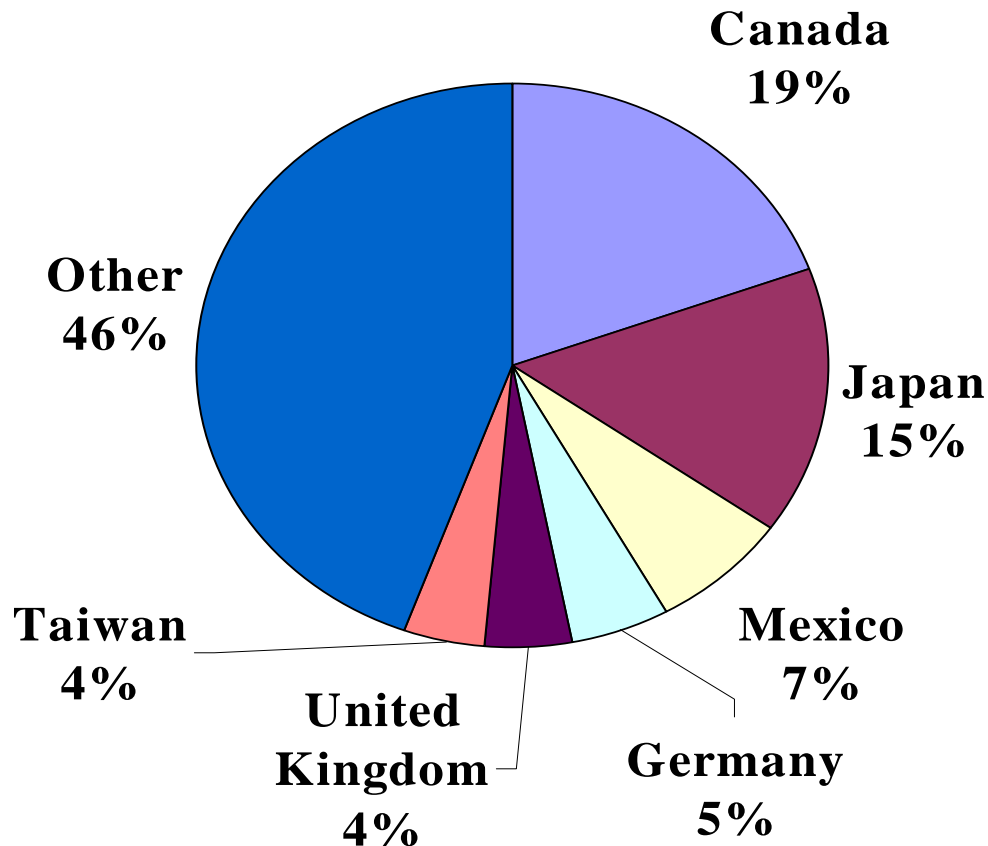


U.S. trading partners

Trading partners in 1990: Canada, Japan, Mexico, Germany & the United Kingdom

Percentage Share of U.S. Trade (1990)

*Source: U.S. Department of the Census





U.S. imports and export (2005)

Imports: Machinery, transportation equipment, manufactured goods, oil products (fuels and lubricants)

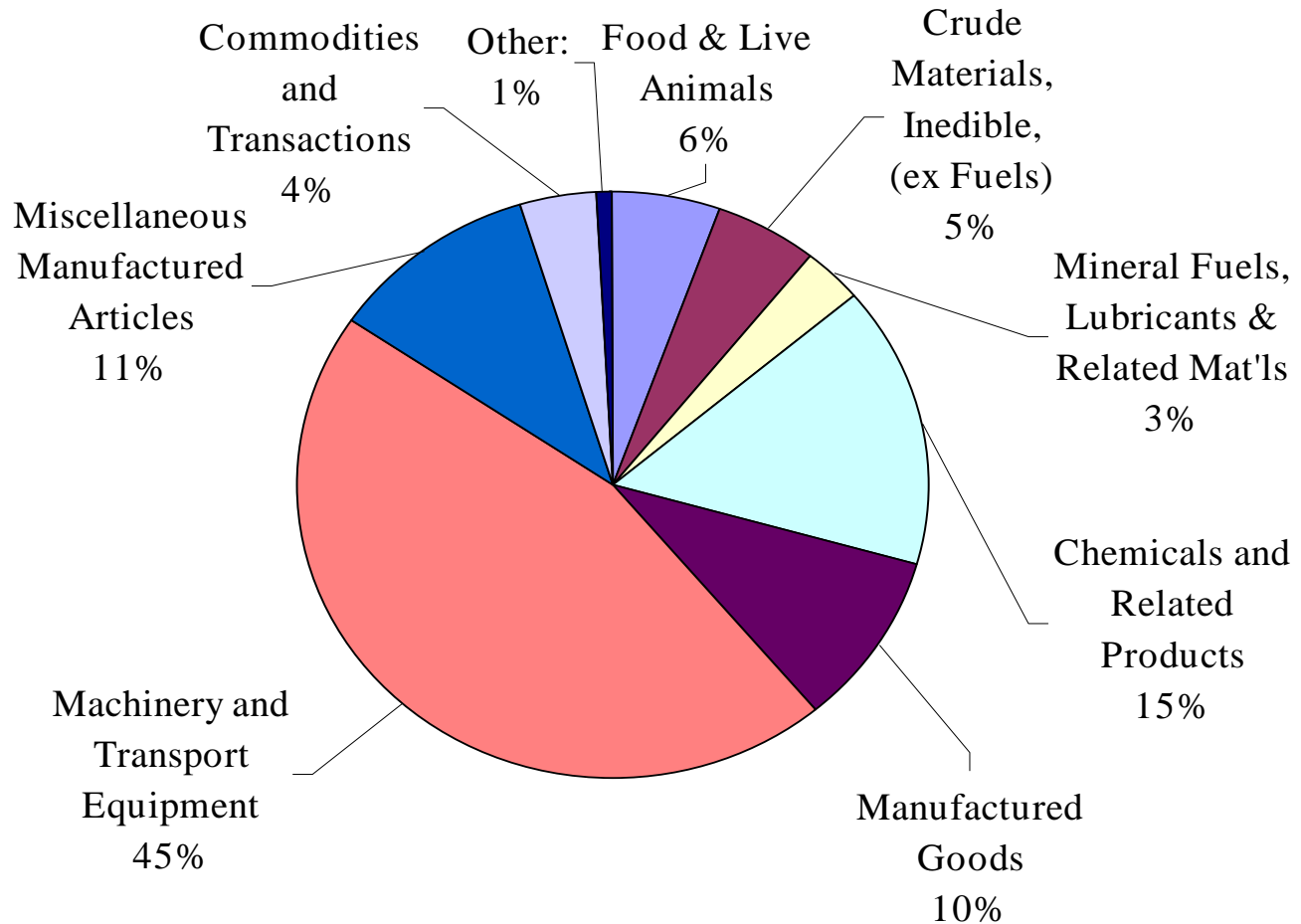
Exports: Machinery, transportation equipment, manufactured goods, chemical products



U.S. exports (2005)

Percentage of U.S. Exports by Category (2005)

*Source: United States Department of Commerce

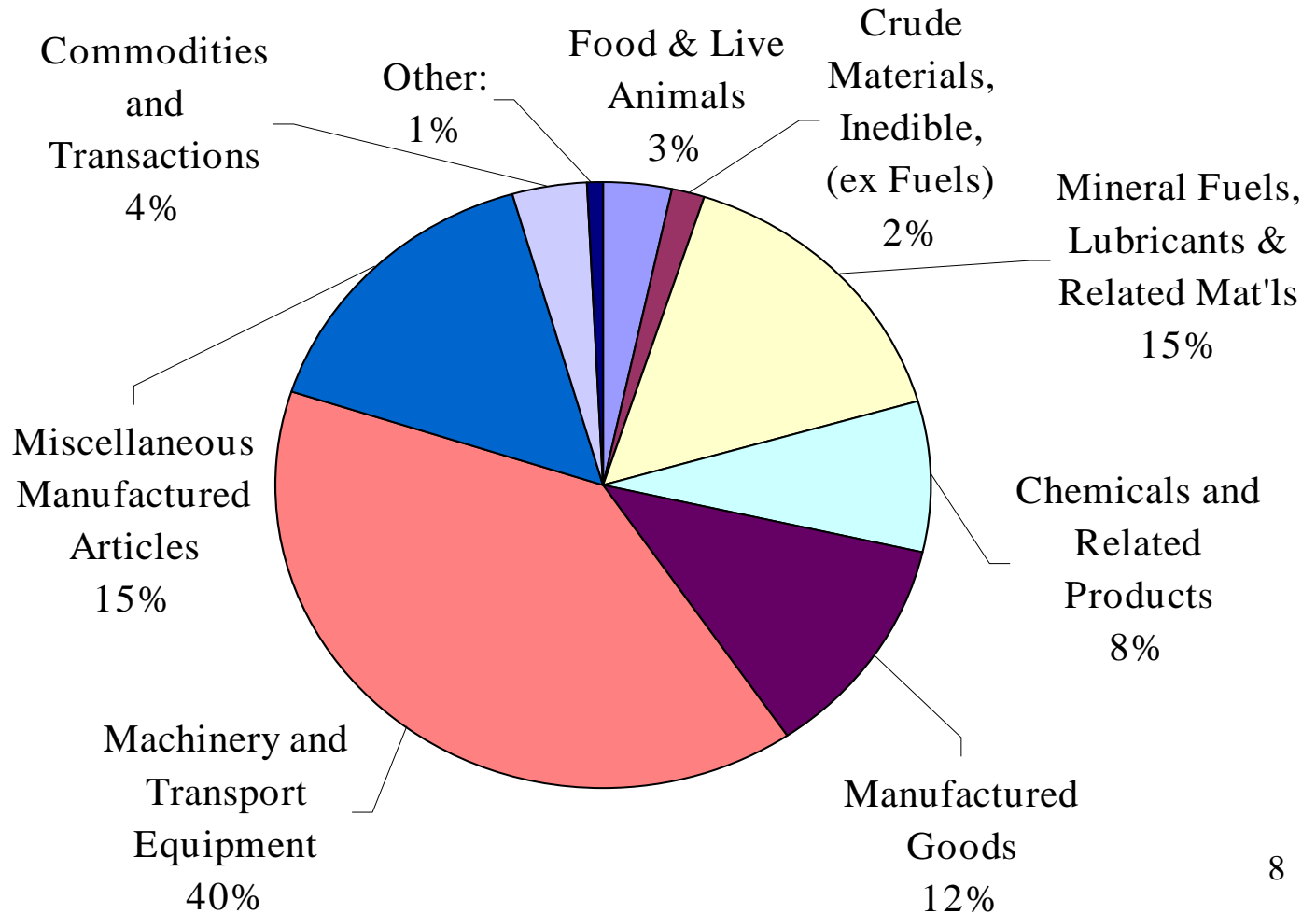




U.S. imports (2005)

Percentage of U.S. Imports by Category (2005)

*Source: United States Department of Commerce





U.S. imports and export (1990)

Imports: Machinery, transportation equipment, manufactured goods, oil products (fuels and lubricants)

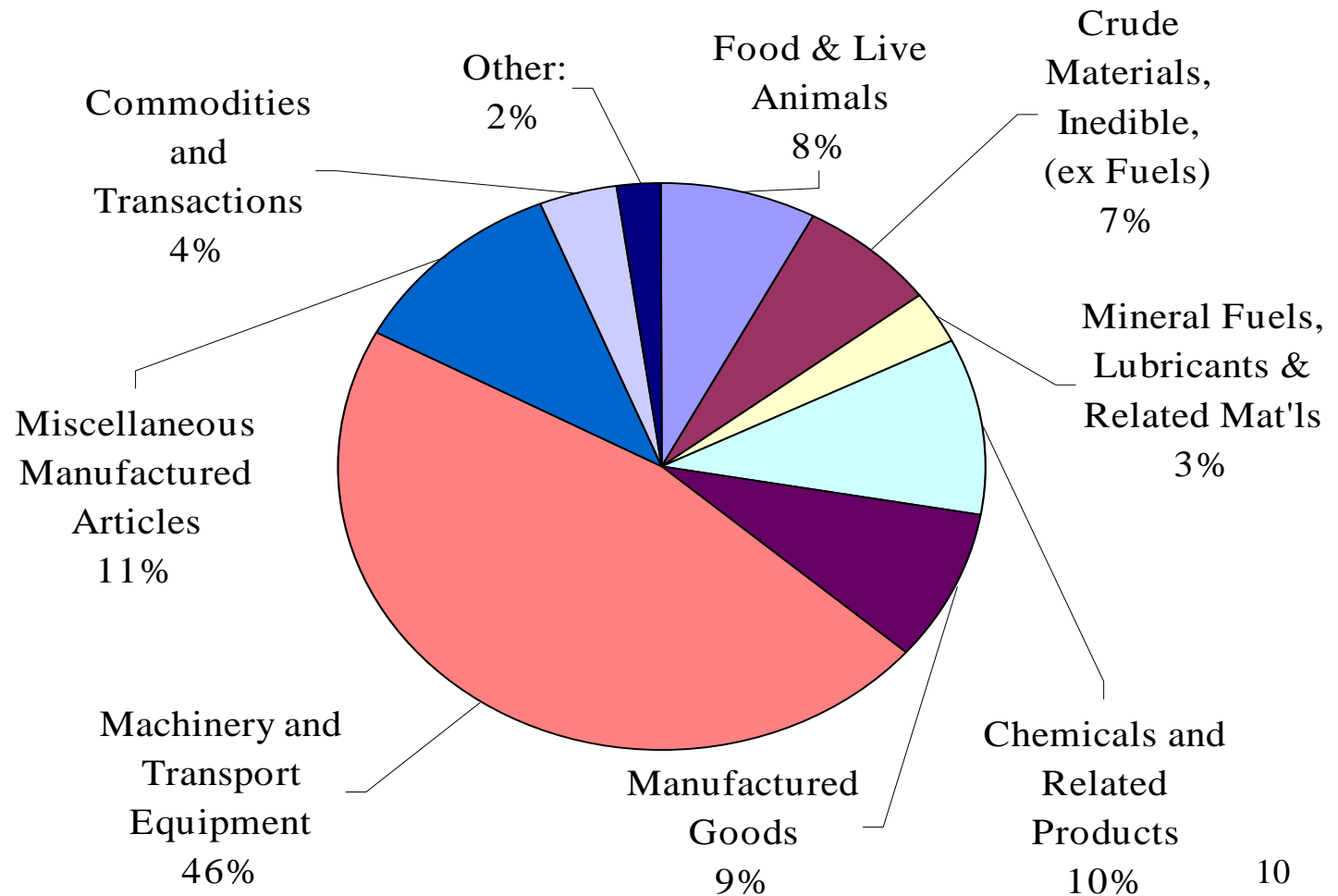
Exports: Machinery, transportation equipment, manufactured goods, chemical products



U.S. exports (1990)

Percentage of U.S. Exports by Category (1990)

*Source: United States Department of Commerce

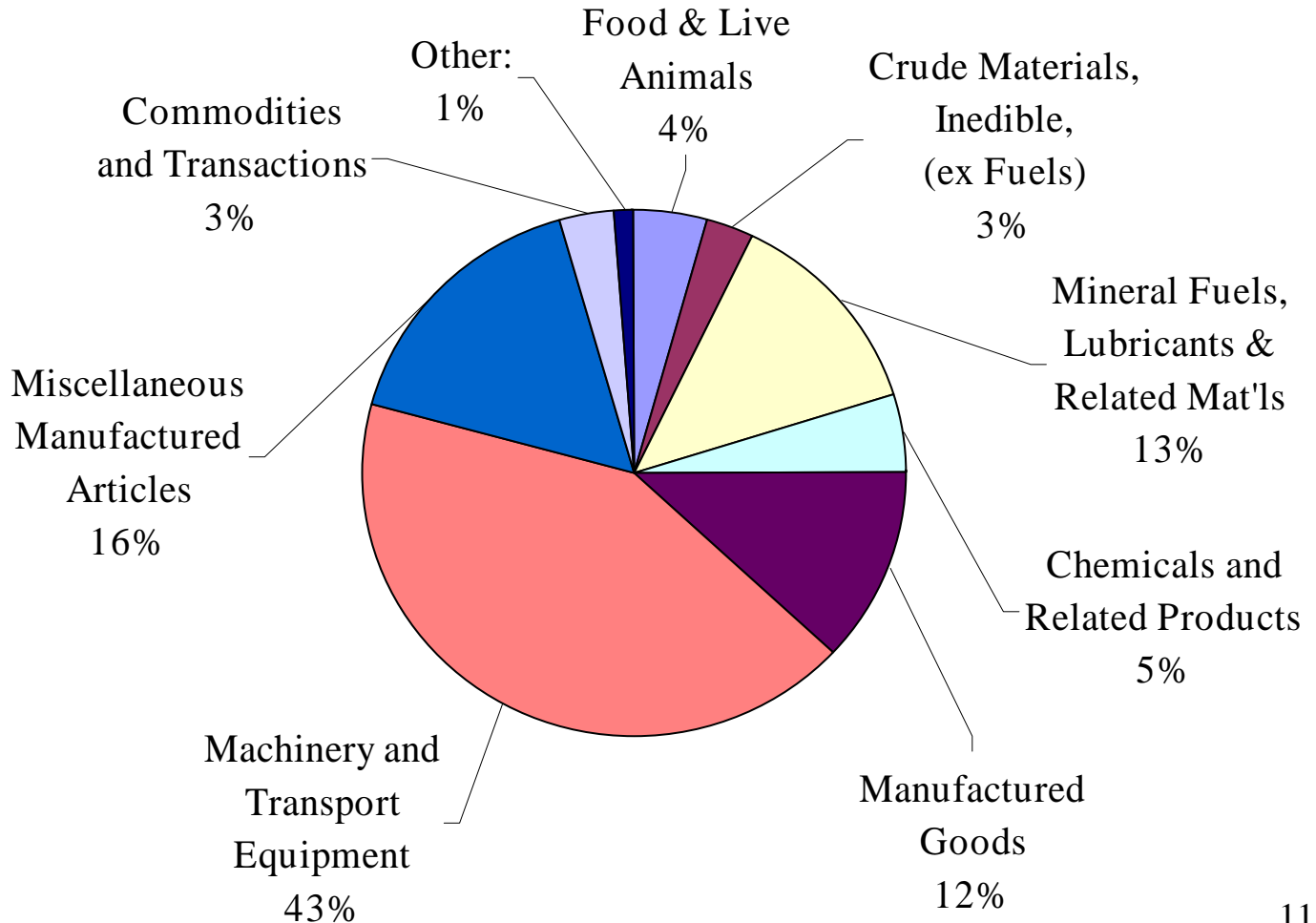




U.S. imports (1990)

Percentage of U.S. Imports by Category (1990)

*Source: United States Department of Commerce





U.S. imports and exports (1978)

Imports: Machinery, transportation equipment, manufactured goods, **more** oil products (fuels and lubricants)

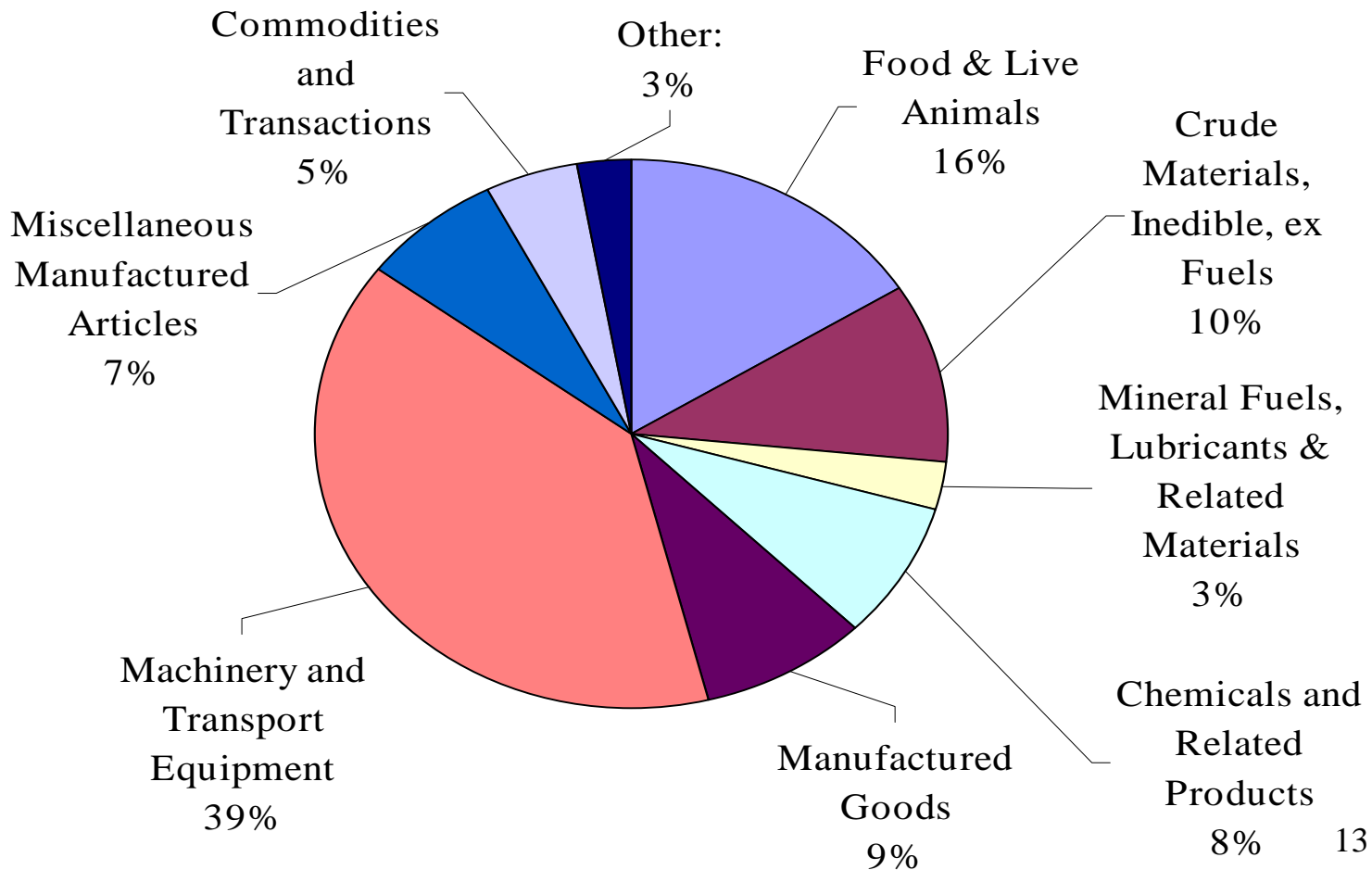
Exports: Machinery, transportation equipment, manufactured goods, food and live animals, crude materials



U.S. exports (1978)

Percentage of U.S. Exports by Category (1978)

*Source: United States Department of Commerce

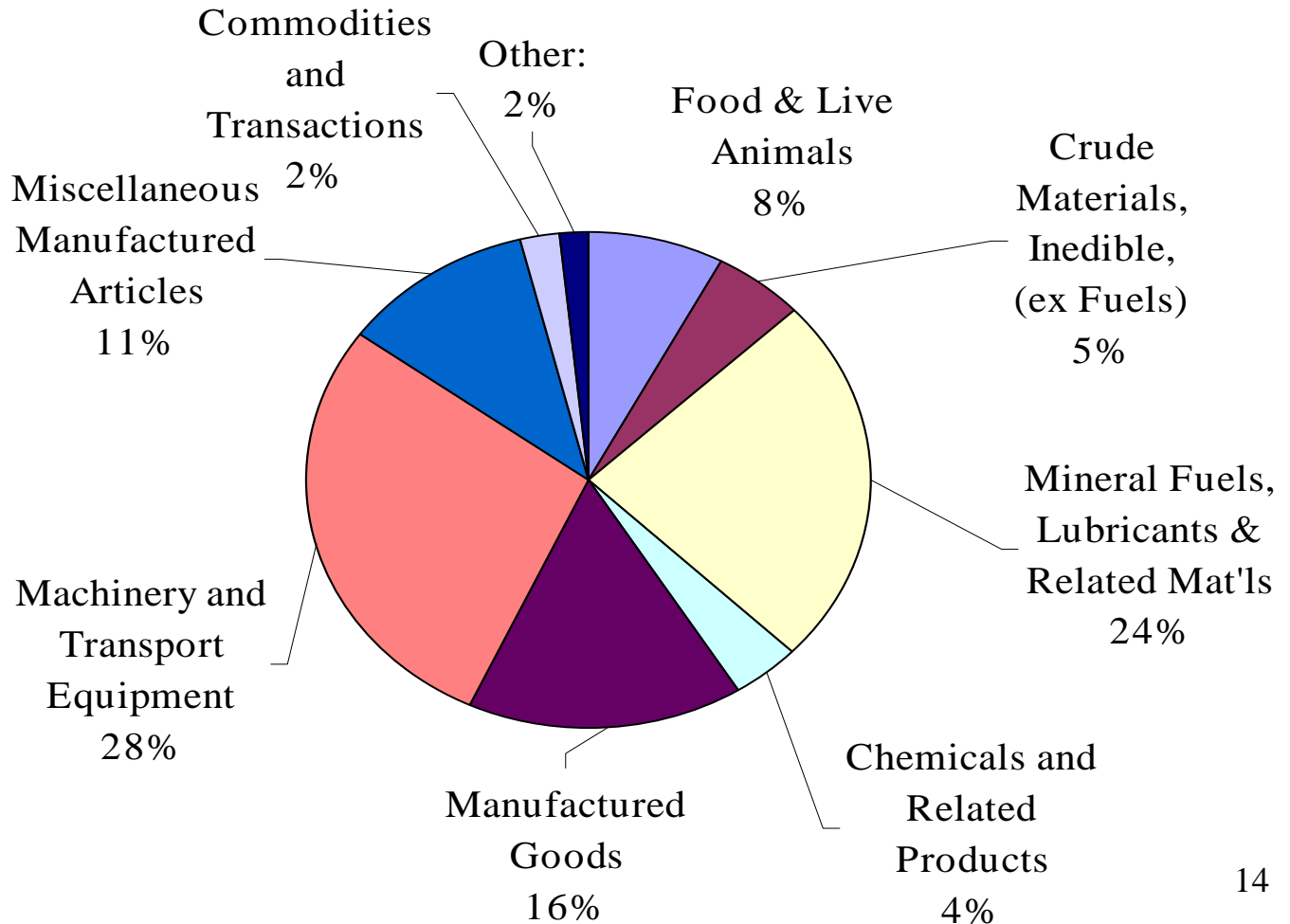




U.S. imports (1978)

Percentage of U.S. Imports by Category (1978)

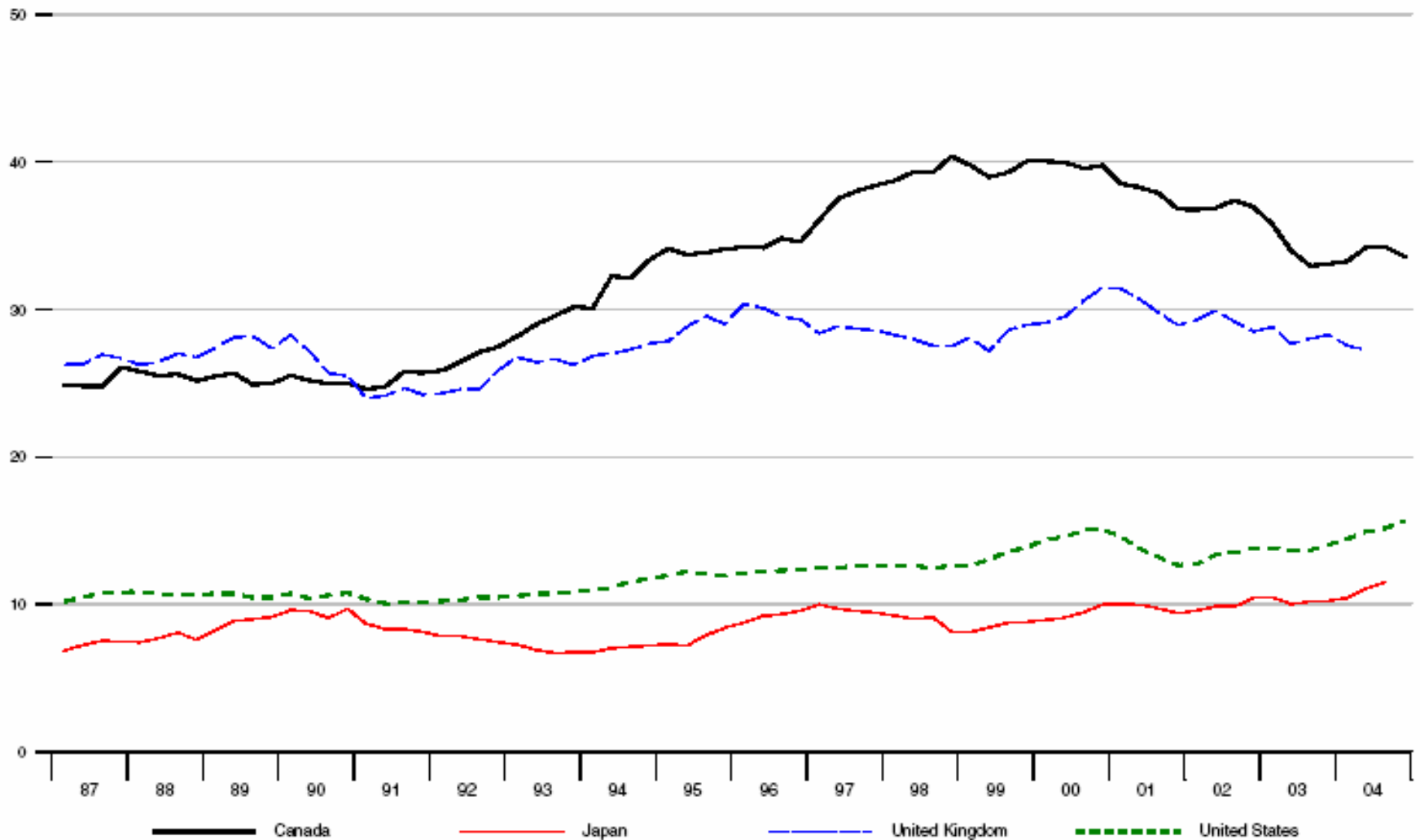
*Source: United States Department of Commerce



How “open” is the U.S. to trade?

International Trade - Imports of Goods and Services for Canada, Japan, United Kingdom, and United States

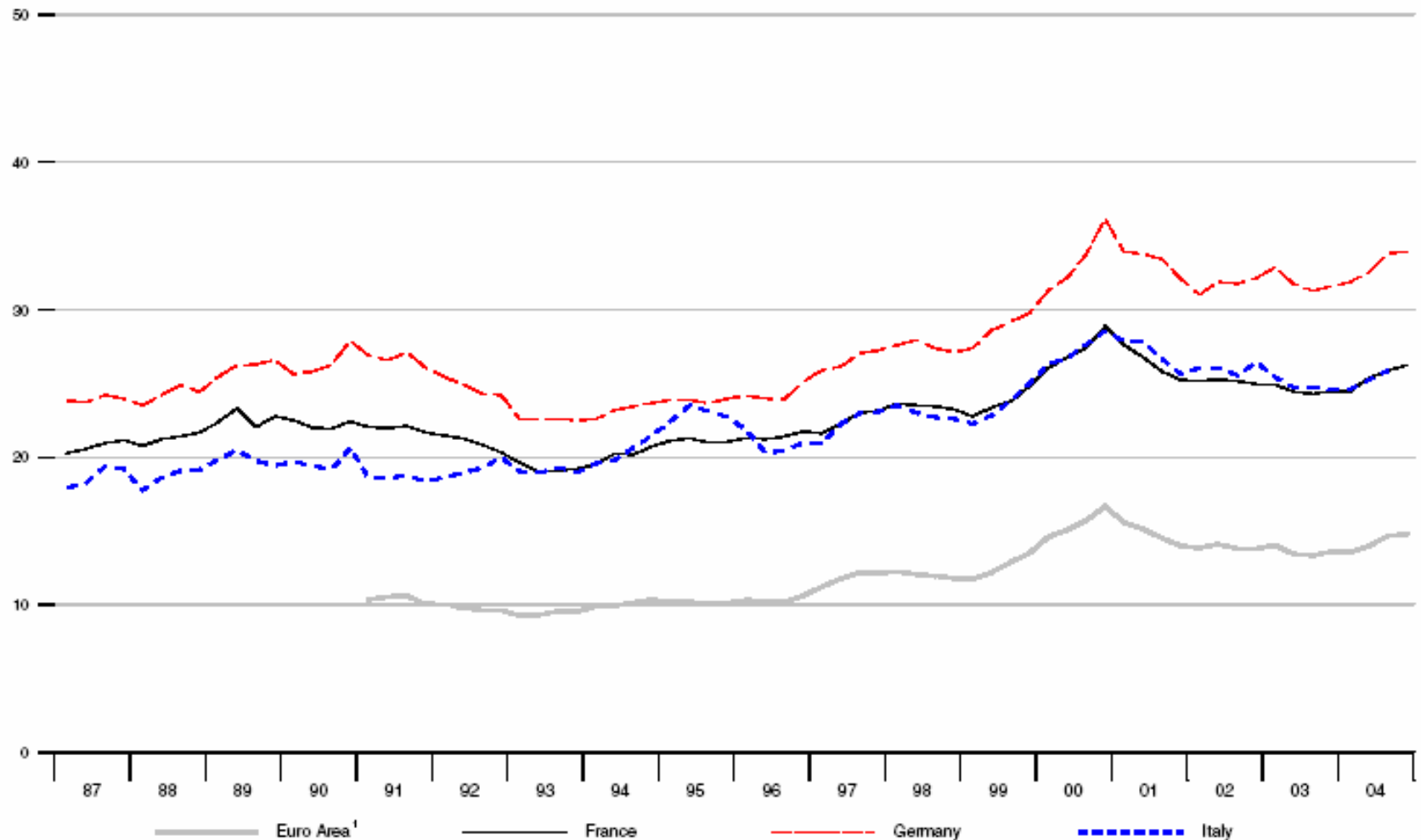
Percent of GDP



How “open” is the U.S. to trade?

International Trade - Imports of Goods and Services for Euro Area, France, Germany, and Italy

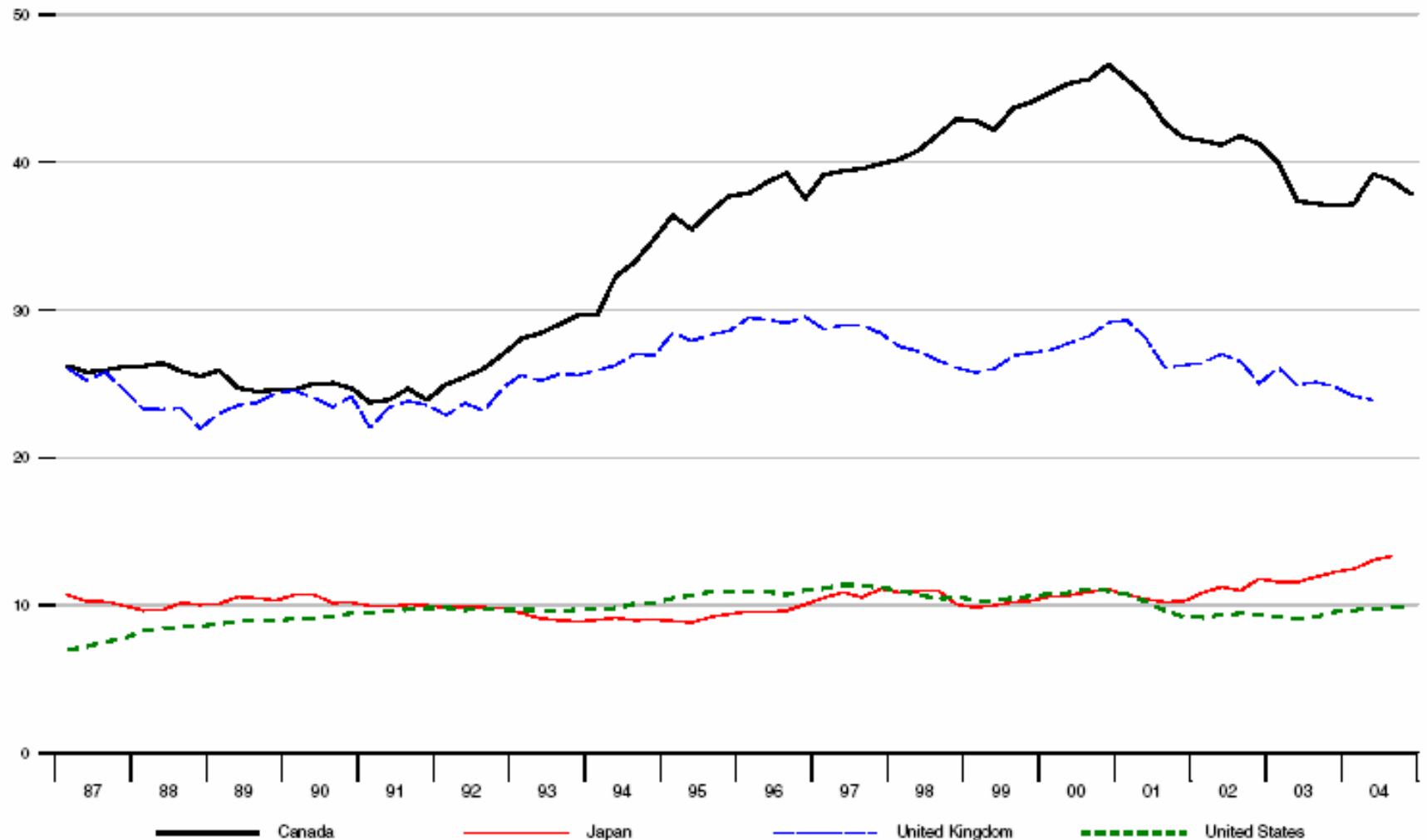
Percent of GDP



How “open” is the U.S. to trade?

International Trade - Exports of Goods and Services for Canada, Japan, United Kingdom, and United States

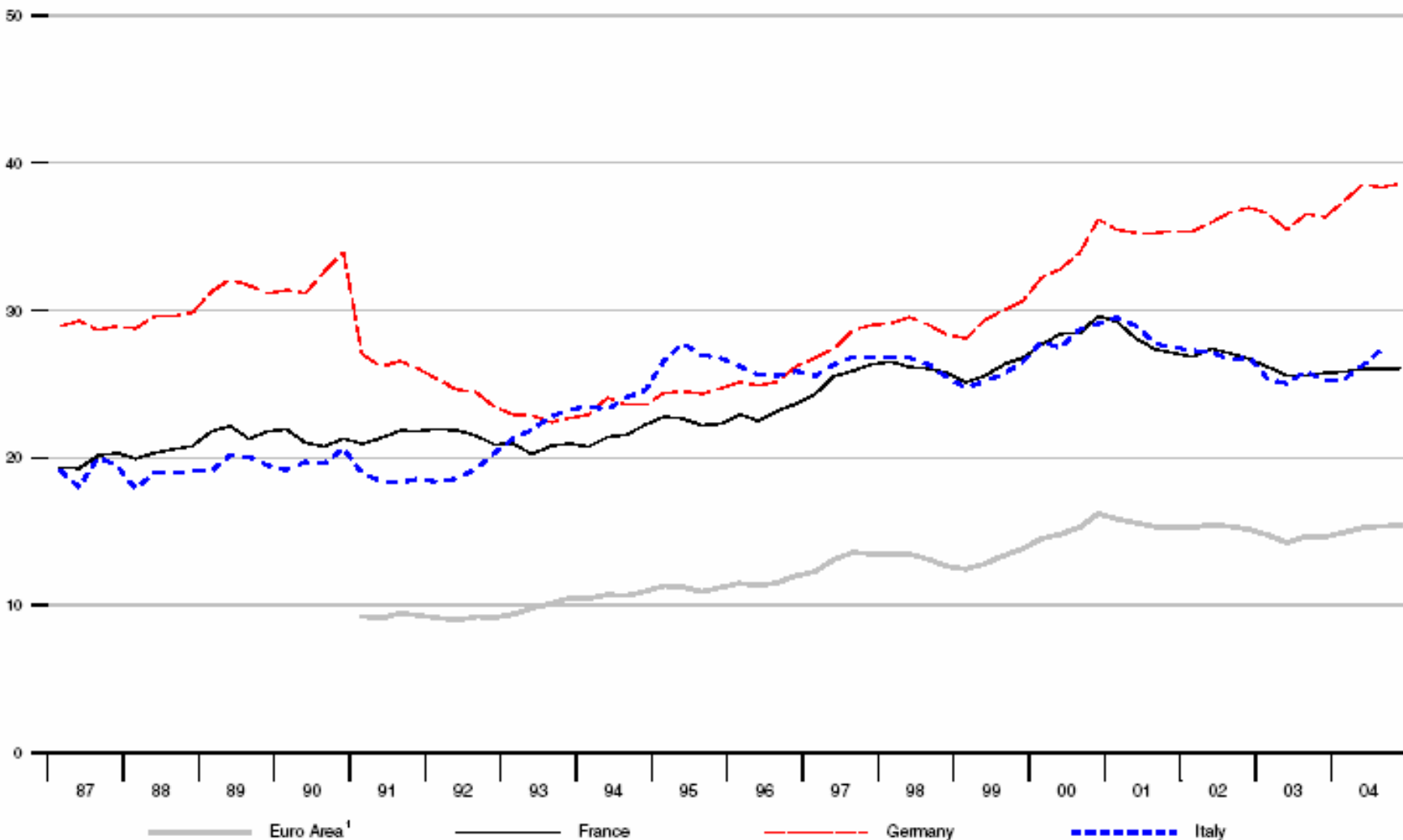
Percent of GDP



How “open” is the U.S. to trade?

International Trade - Exports of Goods and Services for Euro Area, France, Germany, and Italy

Percent of GDP



¹Exports of Goods Only





How “open” is the U.S. to trade?

- Trade is not as important to the U.S. economy as it is to most nations, because we are geographically and economically large.
- Physical proximity makes trade easier. Why?
- Compare the U.S. share of imports/exports to GDP to those of other large countries, Japan and the Euro area.



Summary of U.S. import and exports and trading partners

- Trading partners: geographically close, economically large, industrialized.
- Imports: manufactures, machines, transportation equipment, oil products
- Exports: manufactures, machines, transportation equipment, chemicals, foodstuffs and livestock.
- Openness: The U.S. is a large, not-very-open economy.



Thanks for your attention.
The End