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CHANGES IN THE COMMODITY PATTERN OF U.S. FOREIGN TRADE

Almost half of this country's foreign trade is now in final products, compared to less than 20 percent before World War II, according to the Commerce Department's Office of Business Economics.

This observation is drawn from U.S. Exports and Imports Classified by OBE End-Use Categories, 1923-68, an extensive volume of trade statistics released today by the Office of Business Economics. The volume presents the only consistent, long-term series of data on U.S. exports and imports currently available. The data are classified into broad commodity categories based on a concept of end-use demand. This scheme facilitates analysis of long- and short-run changes in trade in terms of market sectors, thus relating trade to economic developments here and abroad.

An article, based on the trade volume, will appear in the March issue of the Survey of Current Business. The article makes the following points about the changing pattern of U.S. trade:

- U.S. exports have risen from less than \$5 billion in 1925 to over \$43 billion in 1970. Imports went from \$4 billion to \$40 billion in the same period.
- The share of finished products in our combined export and import trade was just under 20 percent before World War II. It reached over 47 percent in 1970.
- Capital goods now account for one-third of total exports, compared with less than 15 percent before World War II. Capital goods accounted for less than 1 percent of imports before World War II, compared with almost 10 percent now.
- Industrial supplies and materials now make up only 32 percent of our exports, compared to 56 percent before World War II. Imports of industrial supplies and materials averaged over 60 percent of total imports before World War II, compared to 38 percent in 1970.

Referring to the deterioration in the U.S. trade balance since the mid-1960's, the article states:

---In commodity terms, the erosion of the U.S. export surplus, from \$5.2 billion in 1965 to \$2.7 billion in 1970, occurred in spite of a substantial improvement in our trade position in capital goods. This was far outweighed by a very large adverse swing from surplus to deficit in our automotive trade, a similar but less pronounced shift in foodstuffs, and a rapid deepening of the already existing deficit in other consumer goods. The customary deficit in industrial supplies and materials, however, eased considerably in 1970.

---In regional terms, the deterioration in the overall U.S. trade balance since the mid-1960's has been entirely with the developed countries. Our trade balance with the developing countries has actually shown moderate improvement.

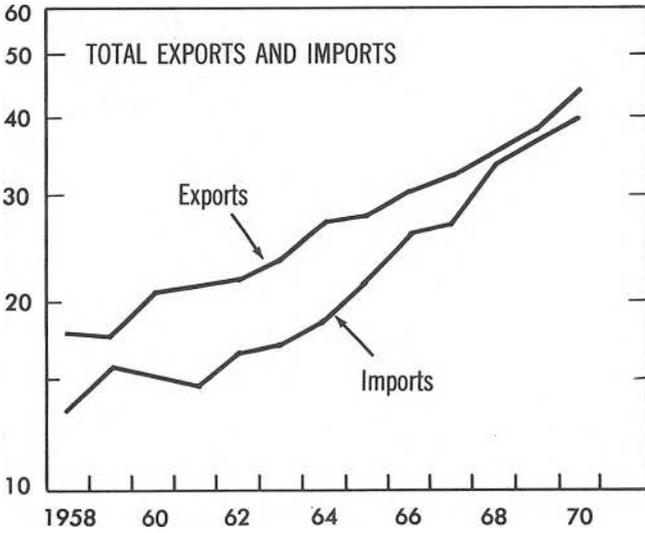
Copies of the March Survey of Current Business, which contains the article "OBE's End-Use Classification of Foreign Trade: The Changing Pattern of U.S. Exports and Imports Since the Mid-1920's," may be purchased from the Superintendent of Documents, Washington, D.C. 20402 or from Field Offices of the U.S. Department of Commerce. Single copy \$1; annual subscription \$9.

Copies of U.S. Exports and Imports, Classified by OBE End-Use Categories, 1923-1968 may be purchased from the Superintendent of Documents, Washington, D.C. 20402 or from Field Offices of the U.S. Department of Commerce. 436 pp. \$4.

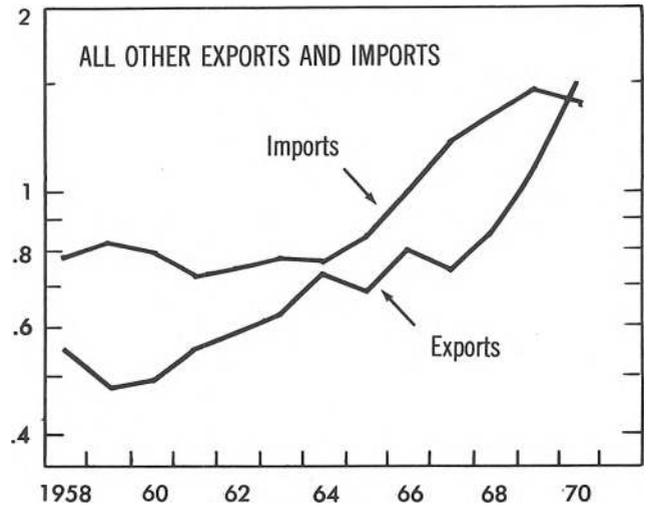
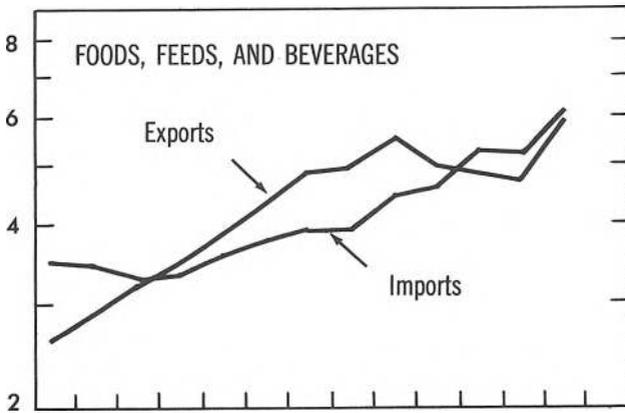
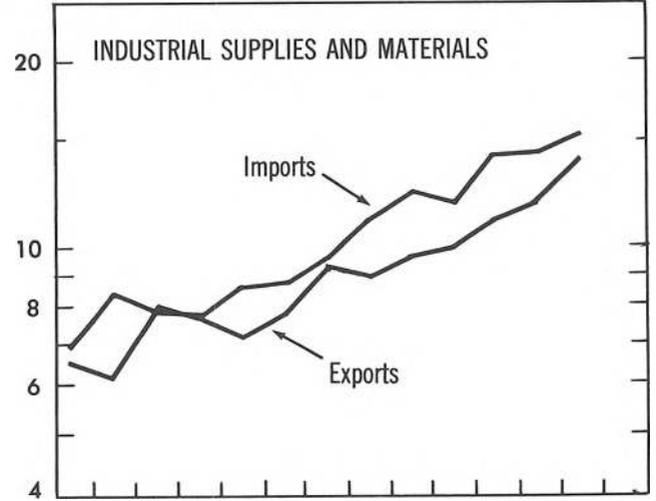
U.S. Exports and Imports

by principal end-use commodity categories

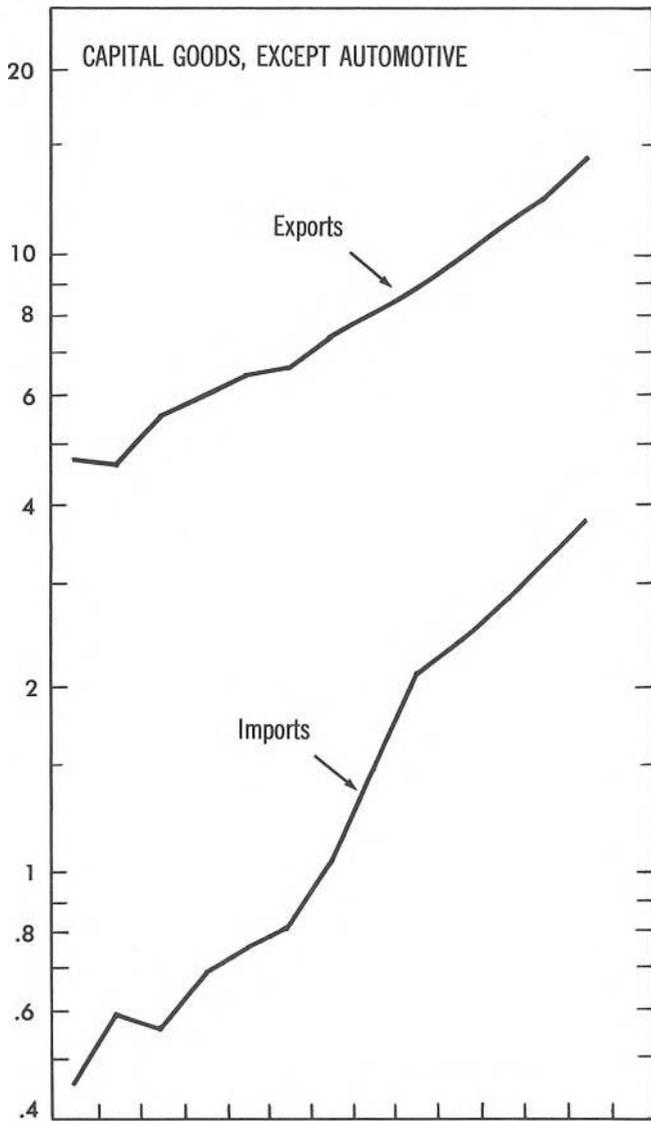
Billion \$ (Ratio scale)



Billion \$ (Ratio scale)



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