

ANNEX I

U.S. Trade in 2003

I. 2003 Overview

U.S. trade (exports and imports of goods and services, and the receipt and payment of earnings on foreign investment)¹ increased by 6.5 percent in 2003 to a value of approximately \$3.2 trillion.² This was the first yearly increase in trade since 2000. The increase in trade in 2003 largely reflected the continued recovery of the U.S. economy as well as improved economic conditions in a number of U.S. trade partners. U.S. trade of goods and services, U.S. trade of goods alone, and U.S. trade of services alone, all exhibited similar increases, each up over 7 percent. Exports of goods and services, and earnings on investment increased by 3.6 percent, and imports of goods and services, and payments on investment increased by 8.8 percent in 2003.

In 2002, the latest year for which international data is available, the United States was the largest trading nation in the world for both exports and imports of goods and services. The United States accounts for roughly 19 percent of world goods trade and for roughly 15 percent of world services trade.³ Through 2003, the value of U.S. trade has increased 24-fold since 1970, and 70 percent since 1994, the year before the start of the Uruguay Round implementation (*figure 1*).⁴ U.S. trade expansion was more rapid in the 1970-2003 period than the growth of the overall U.S. economy, in both nominal and real terms. In nominal terms, trade has grown at an annual average rate of 10.2 percent per year since 1970, compared to U.S. gross domestic product (GDP) whose average annual growth over the same period was 7.4 percent. In real terms, the average annual growth in trade was nearly double the pace of GDP growth, 6.1 percent versus 3.1 percent.

The value of trade in goods and services, including earnings and payments on investment, was 29.5 percent of the value of U.S. GDP in 2003 (*figure 2*). This represented an increase from the corresponding figure in 2002 (28.9 percent), but down from its high point in 2000 (34 percent).⁵ For goods and services, excluding investment earnings and payments, U.S. trade represented 24.1 percent of the value of GDP in 2003, up from 23.5 percent in 2002, but down from its high of 26 percent in 2000.⁶

¹ Earnings on foreign investment are considered trade because they are conceptually the payment made to foreign residents for the service rendered by the use of foreign capital. Beyond the overview section, however, this chapter deals with goods and services trade, excluding foreign investment earnings. All trade values are nominal unless otherwise indicated.

² In this Chapter, 2003 is estimated based on partial year data (January-October).

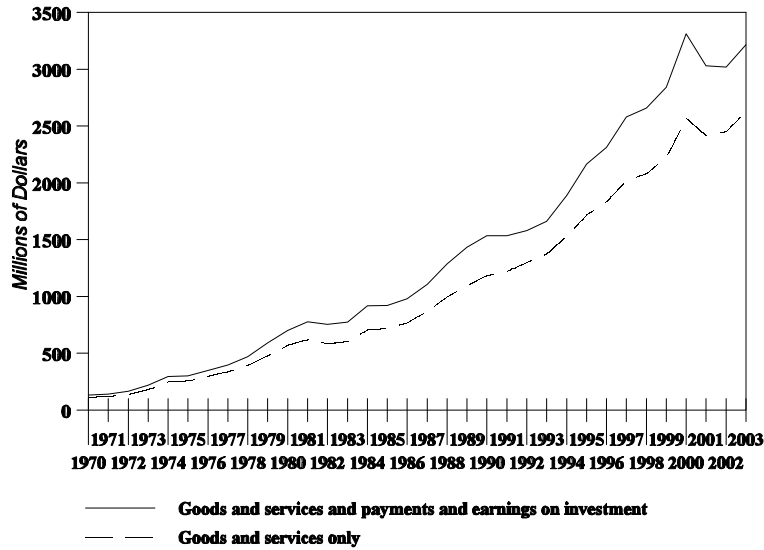
³ Goods trade excluding intra-EU trade.

⁴ Trade in goods and services alone has increased 23-fold since 1970 and 71 percent since 1994.

⁵ Thirteen percent of the value of GDP in 1970 and 27 percent in 1994.

⁶ Eleven percent of the value of GDP in 1970 and 22 percent in 1994.

**Figure 1:
U.S. Trade Growth**

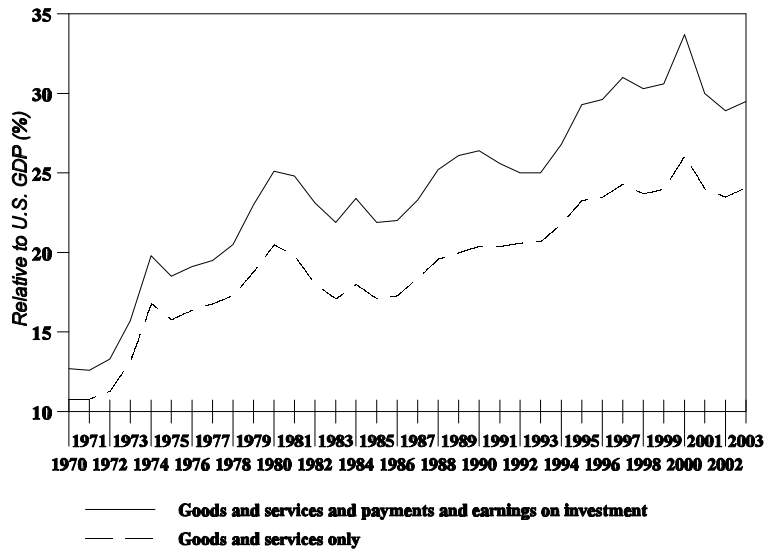


Total exports + imports

Source: U.S. Department of Commerce.

Figure 2:

Growing Importance of Trade in the U.S. Economy



Total exports + imports as a percentage of the value of U.S. GDP

Source: U.S. Department of Commerce.

This growth in trade has occurred in both U.S. exports and imports. U.S. exports of goods and services (including investment earnings) in 2003 are 19-fold greater than 1970 and 47 percent greater than 1994. U.S. imports of goods and services are 30-fold greater than 1970 and 92 percent greater than 1994.

With the value of U.S. exports increasing less than that of imports, the total deficit on goods and services trade (excluding earnings and payments on foreign investment) increased by approximately \$88 billion from \$418 billion in 2002 (4.0 percent of GDP) to \$506 billion in 2003 (4.6 percent of GDP). The U.S. deficit in goods trade alone increased by \$81 billion from \$483 billion in 2002 (4.6 percent of GDP) to \$564 billion in 2003 (5.2 percent of GDP). The services trade surplus declined from \$65 billion in 2002 (0.6 percent of GDP) to \$58 billion in 2003 (0.5 percent of GDP).

II. Goods Trade

A. Export Growth

U.S. goods exports increased by 6 percent in 2003, as compared to the 6 percent decrease in the preceding year (*table 1*). Manufacturing exports, which accounts for 87 percent of total goods exports, was up only two percent, while agriculture exports, which accounts for 8 percent of total goods exports, were up by 10 percent. High technology exports, a subset of manufacturing exports, accounted for 25 percent of total goods exports and were down 2 percent in 2003. U.S. goods exports increased for nearly every major end-use category in 2003, with the largest increase for industrial supplies and materials, up 10 percent. Only the capital goods category showed a decline in exports in 2003, of slightly over one percent.

Since 1994, U.S. goods exports are up 40 percent. Manufacturing exports increased 43 percent while high technology exports increased 45 percent and agriculture exports increased 31 percent. Exports of consumer goods and industrial supplies have each risen more than 40 percent, while capital goods and autos and auto parts have increased nearly 40 percent. Of the \$202 billion increase in goods exports since 1994, capital goods accounted for 40 percent of the increase, industrial supplies and materials accounted for 26 percent and consumer goods accounted for 14 percent.

U.S. goods exports increased to nearly all major markets in 2003 (*table 2*), led by a growth rate of over 20 percent to China, and down only to Mexico (1 percent). U.S. exports increased 4 percent to high income countries and 2 percent to middle and low income countries. Since 1994, U.S. goods exports to low and middle income countries exhibited higher growth than that to high income countries, 47 percent compared to 34 percent.

Table 1: U.S. Goods Exports						
Exports:	2000	2001	2002	2003*	02-03*	94-03*
	<i>Billions of Dollars</i>				<i>Percent Change</i>	
Total (BOP basis)	772.0	718.7	681.9	703.9	3.2	40.0
Food, feeds, and beverages	47.9	49.4	49.6	53.5	7.8	27.5
Industrial supplies and materials	172.6	160.1	156.8	173.2	10.4	42.7
Capital goods, except autos	356.9	321.7	290.4	286.4	-1.4	39.7
Autos and auto parts	80.4	75.4	78.9	79.6	0.8	37.7
Consumer goods	89.4	88.3	84.4	88.8	5.3	48.1
Other	34.8	34.1	32.9	33.0	0.5	24.6
Addendum: Agriculture	52.1	55.2	54.8	60.4	10.1	30.5
Addendum: Manufacturing	689.5	640.2	606.3	617.7	1.9	43.3
Addendum: High technology	227.4	199.6	178.6	174.5	-2.3	44.5

* Annualized based on January-October 2003 data.

Source: U.S. Department of Commerce, Balance of Payments Basis for Total, Census Basis for Sectors.

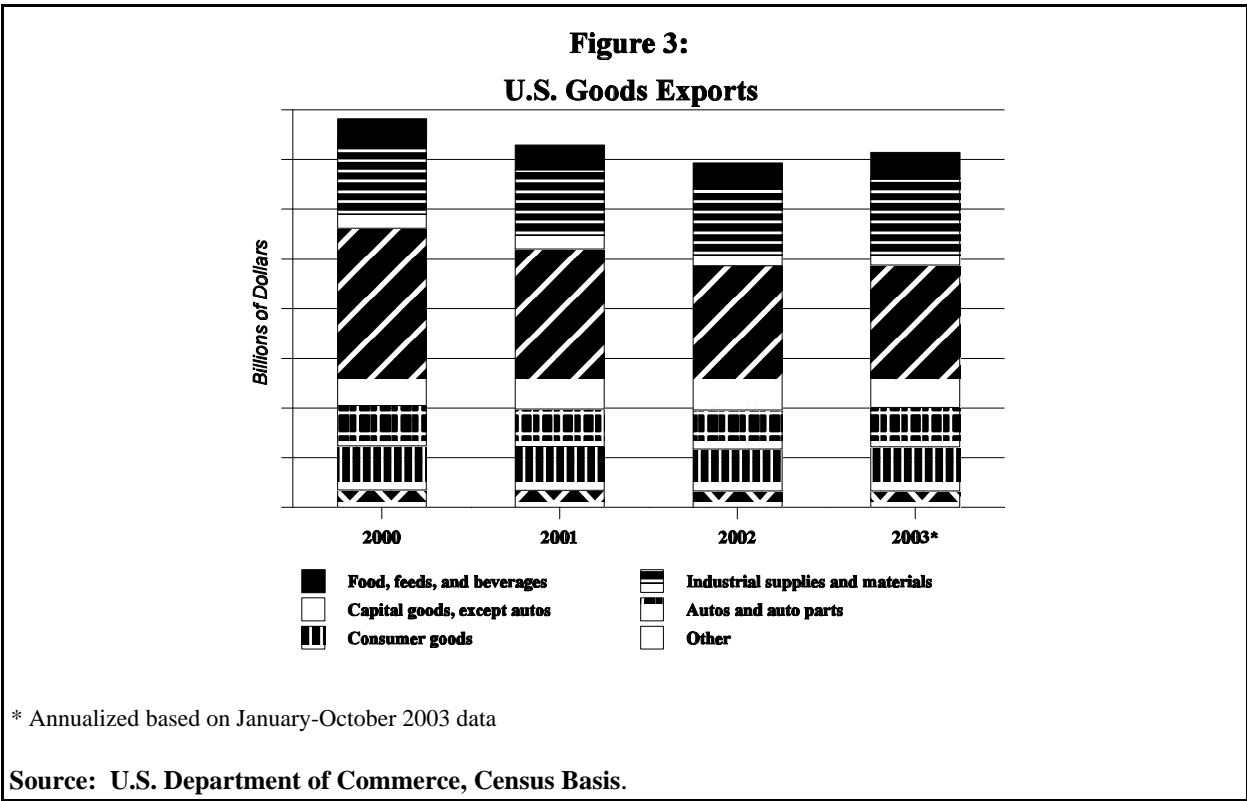


Table 2: U.S. Goods Exports to Selected Countries/Regions						
Exports to:	2000	2001	2002	2003*	02-03*	94-03*
	<i>Billions of Dollars</i>				<i>Percent Change</i>	
Canada	178.9	163.4	160.9	168.6	4.7	47.3
European Union	165.1	158.8	143.7	149.3	3.9	38.5
Japan	64.9	57.5	51.4	51.6	0.3	-3.5
Mexico	111.3	101.3	97.5	96.3	-1.2	89.3
China	16.2	19.2	22.1	26.9	21.5	189.7
Pacific Rim, except Japan and China	121.5	104.8	105.0	106.0	1.0	24.7
Latin America, except Mexico	59.3	58.2	51.6	51.6	0.2	23.8
Addendum: High Income Countries	442.9	411.6	386.8	401.5	3.8	34.0
Addendum: Low to Middle Income Countries	338.7	317.3	306.5	313.4	2.3	47.3
* Annualized based on January-October 2003 data.						
Source: U.S. Department of Commerce, Census Basis.						

Goods exports to China continued to increase in 2003, up nearly 22 percent, over \$4 billion. Most of the U.S. export growth to China was in industrial supplies and materials, which were up 41 percent. U.S. exports of agriculture products to China doubled in the last year, rising to roughly \$4 billion. Exports of capital goods and industrial supplies accounted for 81 percent of U.S. exports to China in 2003, while agriculture exports accounted for 14 percent. U.S. exports to China have nearly tripled since 1994 (up 190 percent through 2003).

Exports to our NAFTA partners increased nearly 3 percent in 2003, and have increased 87 percent since 1993, the year before the start of NAFTA's implementation. Over 37 percent of aggregate U.S. goods exports went to NAFTA countries in 2003 (\$265 billion), up from nearly 33 percent in 1993 (\$142 billion).

U.S. exports to Canada, the largest U.S. export market, accounting for 24 percent of U.S. exports, increased by 5 percent in 2003. Growth areas of U.S. exports to Canada include consumer goods (up 10 percent), industrial supplies (up 8 percent) and agriculture products (up 7 percent). Overall, U.S. exports to Canada are up by 47 percent since 1994.

U.S. exports to Mexico, the second largest single country export market, accounting for 14 percent of U.S. exports, declined by one percent in 2003. The decline in U.S. exports to Mexico marked the third straight year of declining exports (down 4 percent in 2002 and 9 percent in 2001). This decline was in the auto and auto parts category (down 12 percent) and the consumer goods category (down 10 percent). U.S. exports were up significantly in agriculture goods (up 9 percent). Since 1994, however, U.S.

exports to Mexico have increased nearly 90 percent.

U.S. exports to the European Union were up 4 percent in 2003. Exports grew in autos and auto parts (up 17 percent), consumer goods (up 11 percent), and industrial supplies (up 11 percent). In 2003, the EU accounted for 21 percent of aggregate U.S. exports. Since 1994, U.S. exports to the EU have increased by 39 percent.

U.S. exports to Japan, the Pacific Rim (excluding China and Japan), and Latin America (excluding Mexico) were all up one percent or less in 2003. U.S. exports to Japan have declined in 5 of the last 7 years, and are down 3 percent since 1994. U.S. exports to the Pacific Rim and Latin America have increased 25 percent and 24 percent, respectively, since 1994.

B. Import Growth

U.S. goods imports increased 9 percent in 2003 (*table 3 and figure 4*), easily surpassing the 2 percent growth rate in 2002. Manufacturing imports, accounting for 81 percent of total goods imports, increased 5 percent in 2003. High technology imports, accounting for 16 percent of total goods imports, increased by 5 percent as well, while agriculture imports, accounting for 4 percent of total goods imports, increased by 13 percent in 2003. U.S. goods imports increased for nearly every major end-use category in 2003, with the largest increases in industrial supplies (up 20 percent), food, feeds, and beverages (up 13 percent) and consumer goods (up 9 percent). Only the “other imports” category showed a decline in 2003 (down 3 percent). Consumer goods, industrial supplies, and capital goods accounted for 75 percent of U.S. imports in 2003.

Since 1994, U.S. goods imports are up nearly 90 percent, more than double the growth by U.S. exports. U.S. imports of manufactured products and agriculture products have both grown by over 80 percent. Imports of advanced technology products have more than doubled. For the major end-use categories, U.S. imports of consumer goods have grown by 129 percent, while industrial supplies, foods, feeds and beverages, and autos and auto parts grew by 99 percent, 81 percent, and 77 percent, respectively. Of the \$600 billion increase in goods imports since 1994, consumer goods accounted for 31 percent of the increase, industrial supplies and materials accounted for 27 percent, capital goods for 18 percent, and autos and auto parts for 15 percent.

Table 3: U.S. Goods Imports						
Imports:	2000	2001	2002	2003*	02-03*	94-03*
	<i>Billions of Dollars</i>				<i>Percent Change</i>	
Total (BOP Basis)	1,224.4	1,145.9	1164.7	1,267.8	8.9	89.6
Food, feeds, and beverages	46.0	46.6	49.7	56.1	12.8	81.1
Industrial supplies and materials	299.0	273.9	267.7	322.3	20.4	98.8
Capital goods, except autos	347.0	298.0	283.3	294.1	3.8	59.5
Autos and auto parts	195.9	189.8	203.7	209.7	2.9	77.3
Consumer goods	281.8	284.3	307.9	335.0	8.8	129.0
Other	48.3	48.4	49.1	47.5	-3.2	123.2
Addendum: Agriculture	39.2	39.5	42.1	47.4	12.9	82.7
Addendum: Manufacturing	1,013.5	950.7	974.6	1,026.9	5.4	84.3
Addendum: High technology	222.1	195.2	195.2	204.5	4.8	108.4

* Annualized based on January-October 2003 data.

Source: U.S. Department of Commerce, Balance of Payments Basis for Total, Census Basis for Sectors.

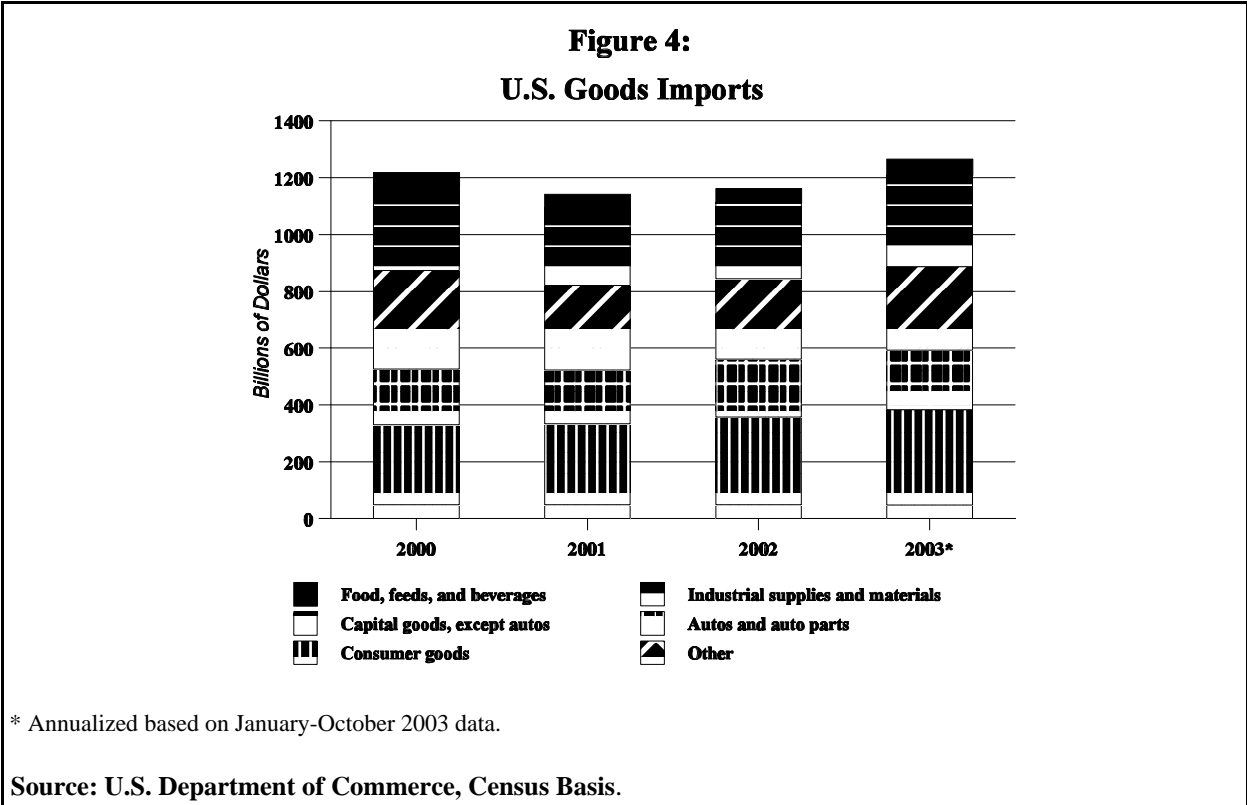


Table 4: U.S. Goods Imports from Selected Countries/Regions						
Imports from:	2000	2001	2002	2003*	02-03*	94-03*
	<i>Billions of Dollars</i>				<i>Percent Change</i>	
Canada	230.8	216.3	209.1	223.3	6.8	73.9
European Union	220.0	220.1	225.8	244.7	8.4	104.8
Japan	146.5	126.5	121.4	119.2	-1.9	0.0
Mexico	135.9	131.3	134.6	137.0	1.7	176.7
China	100.0	102.3	125.2	155.0	23.8	299.6
Pacific Rim, except Japan and China	171.5	147.3	146.9	148.3	1.0	43.6
Latin America, except Mexico	73.3	67.4	69.5	78.7	13.2	104.6
Addendum: High Income Countries	630.7	595.3	591.2	624.1	5.6	62.1
Addendum: Low to Middle Income Countries	587.3	545.7	572.5	642.0	12.1	130.7
* Annualized based on January-October 2003 data.						
Source: U.S. Department of Commerce, Census Basis.						

On a regional basis, U.S. goods imports increased from nearly all the major markets in 2003, led by a growth rate of nearly 24 percent from China, and down only from Japan, by 2 percent (*table 4*). U.S. imports increased by 12 percent from low and middle income countries, and by 6 percent from high income countries. Since 1994, U.S. goods imports from low and middle income countries exhibited higher growth (more than double) than that from high income countries, 131 percent compared to 62 percent. Accordingly, the share of U.S. imports from low and middle income countries has increased from 42 percent in 1994 to 51 percent in 2003. This marked the first year that the United States imported more from low and middle income countries than from high income countries.

U.S. goods imports continued its strong growth from China in 2003, even surpassing significant growth rate of 2002 (24 percent as compared to 22 percent). U.S. imports from China have nearly quadrupled since 1994. As such, China became the second largest single country supplier of goods to the United States in 2003 (surpassing Mexico). Twelve percent of total U.S. imports were sourced from China in 2003, up from 6 percent in 1994. Imports from China accounted for 19 percent of the overall increase in U.S. imports from the world since 1994 (third to NAFTA's 30 percent and the European Union's 21 percent). U.S. imports from China are primarily low value-added consumer goods, such as toys, footwear, apparel and some areas of consumer electronics. Consumer goods made up 60 percent of U.S. imports from China in 2003.

Imports from Latin America (excluding Mexico) increased by 13 percent in 2003, and have more than doubled since 1994. Roughly half of the increase in imports from Latin America was in the mineral fuel

category. U.S. import prices for crude oil through the first 10 months of 2003 was up 21 percent over the same period of 2002. U.S. imports from Latin America accounted for 6 percent of total U.S. imports in 2003.

U.S. goods imports from the European Union, accounting for 19 percent of total U.S. imports, increased by 8 percent in 2003, tripling the growth rate from 2002 (up 2.6 percent). More than half of U.S. imports from the European Union are consumer goods and capital goods. Increasing import categories included foods, feed and beverages (up 22 percent), autos and auto parts (up 16 percent), industrial supplies (up 13 percent), and consumer goods (up 10 percent). Imports of capital goods declined less than 1 percent. U.S. Imports from the EU have doubled since 1994.

Imports from our NAFTA partners increased 5 percent in 2003 and are up 138 percent since NAFTA started implementation. NAFTA imports accounted for 29 percent of aggregate U.S. goods imports in 2003, down slightly from 30 percent in 2002, but up from 27 percent in 1994.

U.S. imports from Canada, the largest single country supplier of goods to the United States, accounting for 18 percent of U.S. imports, increased by 7 percent in 2003 (the first import growth increase since 2000). Nearly all of the increase was in the mineral fuel category. Accordingly, U.S. imports of industrial supplies from Canada were up 18 percent in 2003. U.S. imports from Canada have grown by 74 percent since 1994.

U.S. imports from Mexico, the third largest single country supplier of goods to the United States, increased by 2 percent in 2002. U.S. imports of industrial supplies and foods, feeds, and beverages increased 15 percent and 13 percent, respectively. Imports of consumer goods and autos and auto parts both declined by 5 percent and 1 percent, respectively. U.S. imports from Mexico have grown 177 percent since 1994.

Imports from the Pacific Rim (excluding Japan and China) increased 1 percent in 2003, and were up 43 percent since 1994. Imports from Japan declined 2 percent in 2003, and were basically the same as in 1994. Purchases from Japan in 2003 accounted for 9 percent of total U.S. imports, as compared to 18 percent in 1994.

III. Services Trade

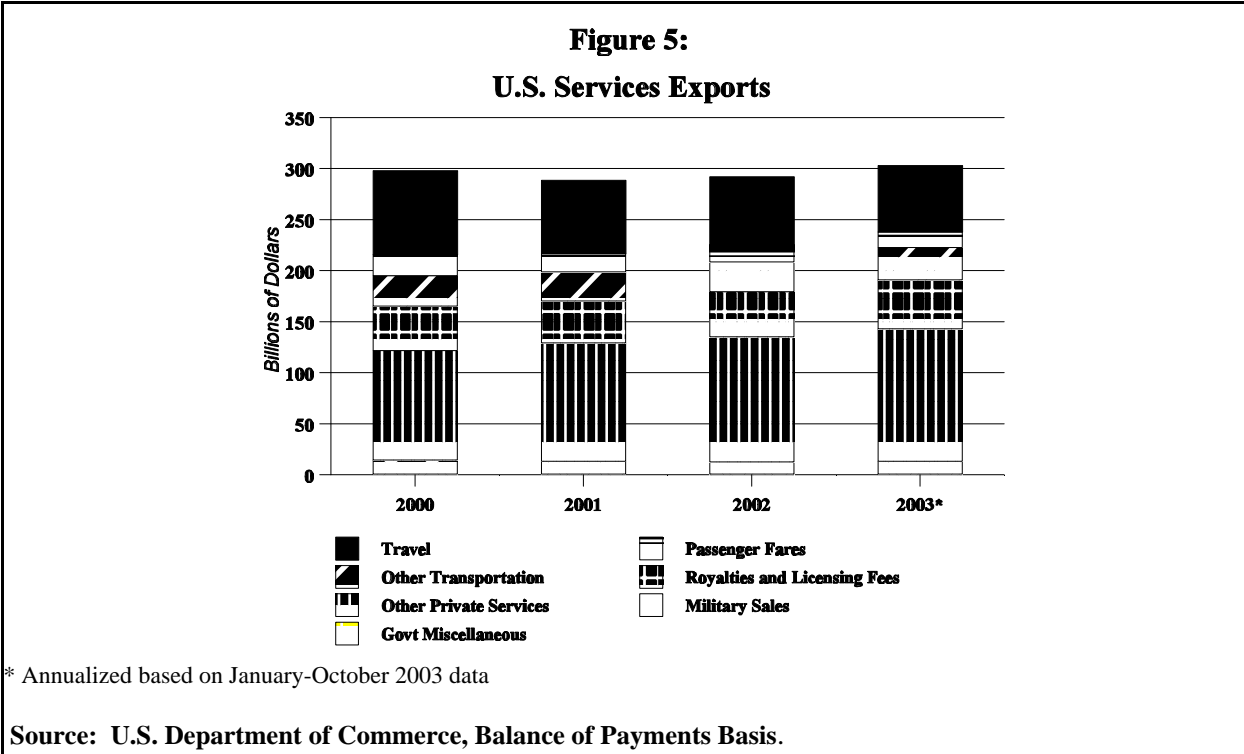
A. Export Growth

U.S. exports of services grew roughly 4 percent in 2003 to over \$300 billion, and since 1994, U.S. services exports have increased by approximately 52 percent. U.S. services exports accounted for 30 percent of the level of U.S. goods and services exports in 2003, compared to 29 percent in 1994.

Table 5: U.S. Services Exports						
Exports:	2000	2001	2002	2003*	02-03*	94-03*
	<i>Billions of Dollars</i>				<i>Percent Change</i>	
Total (BOP basis)	298.1	288.9	292.2	303.0	3.7	51.7
Travel	82.4	71.9	66.5	65.0	-2.4	11.2
Passenger Fares	20.7	17.9	17.0	15.3	-10.5	-10.2
Other Transportation	29.8	28.4	29.2	31.8	9.1	34.0
Royalties and Licensing Fees	43.2	41.1	44.1	47.9	8.6	79.4
Other Private Services	107.4	116.1	122.6	129.7	5.8	115.4
Transfers under U.S. Military Sales Contracts	13.8	12.5	11.9	12.5	4.3	-2.6
U.S. Government Miscellaneous Services	0.8	0.8	0.8	0.8	2.0	-8.6

* Annualized based on January-October 2003 data.

Source: U.S. Department of Commerce, Balance of Payments Basis.



The growth in U.S. services exports in 2003 was largely driven by the other private services category, which accounted for 43 percent of total U.S. services exports and increased 6 percent (\$7 billion) from the previous year. The royalties and licensing fees category and the other transportation categories also exhibited growth in 2003, each up roughly 9 percent (\$4 billion and \$3 billion, respectively). The tourism categories (travel and passenger fares) both declined in 2003.

Since 1994, nearly all of the major services export categories have grown. Export growth has been led by the other private services category, up 115 percent, and the royalties and licensing fees category, up 79 percent. The other transportation and travel categories also were up 34 percent and 11 percent, respectively. Of the \$103 billion increase in U.S. services exports between 1994 and 2003, the other private services category accounted for 67 percent of the increase and the royalties and licensing fees category accounted for 21 percent.

Detailed sectoral breakdowns for exports of the other private services category are available only through 2002. In 2002, other private services exports totaled \$123 billion. Of this, U.S. exports to business related parties (to a foreign parent or affiliate) accounted for \$44 billion, or 35 percent of total other private services exports. For the remaining exports of other private services to unaffiliated parties, the values of exports in 2002 were: business, professional and technical services, \$29 billion; financial services, \$16 billion; education, \$13 billion; insurance premiums, \$12 billion; and telecommunications, \$4 billion. Business, professional and technical services were led by the installation, maintenance, and repair of equipment category (\$5 billion), operational leasing (\$3.6 billion), legal services (\$3.3 billion), and computer and data processing services (\$3.0 billion).

The United Kingdom was the largest purchaser of U.S. private services exports in 2002, accounting for 11 percent of total U.S. private services exports. The top 5 purchasers of U.S. private services exports in 2002 were: the United Kingdom (\$32 billion), Japan (\$30 billion), Canada (\$24 billion), Germany (\$16 billion), and Mexico (\$16 billion).

Regionally, in 2002, the United States exported \$96 billion to the EU, \$75 billion to the Asia/Pacific Region (\$39 billion excluding Japan and China), \$40 billion to NAFTA countries, and \$23 billion to Latin America (excluding Mexico).

B. Import Growth

Services imports by the United States increased in 2002 by nearly 8 percent to \$245 billion (*table 6, figure 6*). While import growth was greater than export growth in 2003 (8 percent compared to 4 percent) the United States remained a net exporter of services. Growth in U.S. imports of services in 2003 were led by three services import categories: other private services, other transportation, and direct defense expenditures. These three categories accounted for roughly 60 percent of total services imports in 2003. The two of the six major services import categories that declined in 2003 were travel, and royalties and licensing fees (down 3 percent and 2 percent, respectively).

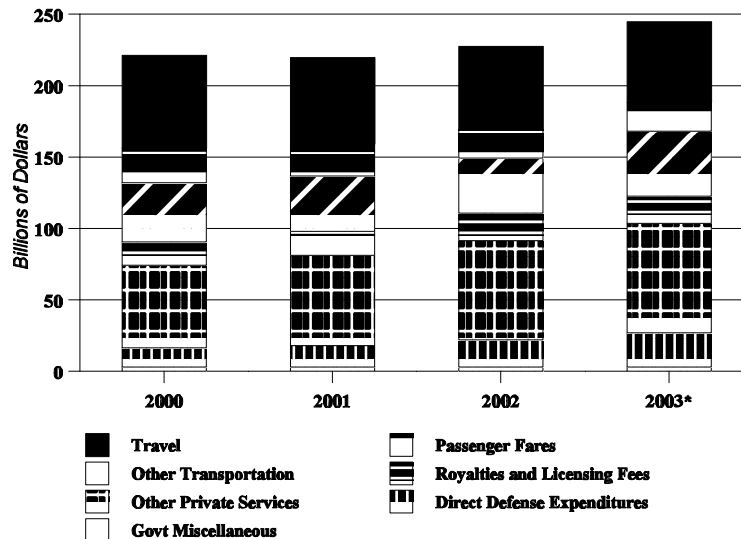
**Table 6:
U.S. Services Imports**

Imports:	2000	2001	2002	2003*	02-03*	94-03*
	<i>Billions of Dollars</i>				<i>Percent Change</i>	
Total (BOP basis)	221.0	219.5	227.4	244.7	7.6	86.6
Travel	64.7	60.2	58.0	56.4	-2.9	28.8
Passenger Fares	24.3	22.6	20.0	20.4	2.0	55.9
Other Transportation	41.4	38.7	38.5	45.5	18.1	74.9
Royalties and Licensing Fees	16.5	16.7	19.3	18.9	-1.8	223.1
Other Private Services	57.8	63.4	69.4	76.6	10.3	158.4
Direct Defense Expenditures	13.5	15.0	19.2	24.0	24.9	135.2
U.S. Government Miscellaneous Services	2.9	2.9	2.9	3.0	2.5	17.0

* Annualized based on January-October 2003 data.

Source: U.S. Department of Commerce, Balance of Payments Basis.

**Figure 6:
U.S. Services Imports**



*Annualized based on January-October 2003 data

Source: U.S. Department of Commerce, Balance of Payments Basis.

Since 1994, services imports grew almost 87 percent or \$114 billion. This growth was driven by the other private services category (accounting for 41 percent of the increase) and the other transportation category (accounting for 17 percent of the increase). All of the major service categories grew since 1994. U.S. imports of royalties and licensing fees have tripled, while imports of other private services and direct defense expenditures have increased 158 percent and 135 percent respectively.

As with exports, detailed sectoral breakdowns for imports of other private services are available only through 2002. In 2002, other private services imports totaled \$69 billion. Of this, U.S. imports from business related parties (from a foreign parent or affiliate) accounted for \$32 billion or 47 percent of total other private service imports. For the remaining imports of other private services from unaffiliated parties, the values of import in 2002 were: insurance premiums, \$47 billion; business professional and technical services, \$10.7 billion; telecommunications, \$4.2 billion; financial services, \$3.7 billion; and education, \$2.5 billion. Business, professional and technical services were led by the miscellaneous disbursements category (\$1.5 billion),⁷ management, consulting, and public relations services (\$1.2 billion), computer and data processing services (\$1.1 billion), and research, development, and testing services (\$1.0 billion).

In the import sector, the United Kingdom remained our largest supplier of private services, providing \$27 billion to the United States in 2002. This accounted for 13% of total U.S. imports of private services in 2002. The United States imported \$18 billion from Canada, our second largest supplier, and \$17 billion from Japan, our third largest supplier. Germany and Mexico were our fourth and fifth largest import suppliers, exporting \$15 billion and \$11 billion worth of services to the U.S., respectively, in 2002.

Regionally, the U.S. imported \$77 billion of services from the EU, \$48 billion from the Asia/Pacific region (\$27 billion excluding Japan and China), \$29 billion from NAFTA, and \$10 billion from Latin America (excluding Mexico).

IV. The U.S. Trade Deficit

The U.S. goods and services deficit increased by \$88 billion in 2003 to a level of \$506 billion (*table 7*). The U.S. goods trade deficit alone increased by \$81 billion to \$564 billion in 2003. However, the services trade surplus decreased by \$6 billion to \$58 billion in 2003.

As a share of U.S. GDP, the goods and services trade deficit was 4.6 percent of GDP in 2003, an increase of 0.6 percentage points from the level in 2002 (*table 8*). The goods trade deficit was 5.2 percent of GDP in 2003, up from 4.6 percent in 2002. The services trade surplus was 0.5 percent of GDP in 2003, down from 0.6 percent in 2002.

The regional distribution of the goods trade deficit for the past 4 years is shown in *table 9*.

⁷ Miscellaneous disbursements include transactions such as outlays to fund news-gathering costs of broadcasters and disbursements to fund production costs of motion pictures companies.

Table 7				
U.S. Trade Balances with the World				
Balance:	2000	2001	2002	2003*
	<i>Billions of Dollars</i>			
Goods and Services (BOP Basis)	-375.4	-357.8	-418.0	-505.6
Goods (BOP Basis)	-452.4	-427.2	-482.9	-564.0
Services (BOP Basis)	77.0	69.4	64.8	58.3
* Annualized based on January-October 2003 data.				
Source: U.S. Department of Commerce, Balance of Payments Basis for World.				

Table 8				
U.S. Trade Balances as a share of GDP				
Share of GDP:	2000	2001	2002	2003*
	<i>Percent</i>			
Goods and Services (BOP Basis)	-3.8	-3.5	-4.0	-4.6
Goods (BOP Basis)	-4.6	-4.2	-4.6	-5.2
Services (BOP Basis)	0.8	0.7	0.6	0.5
* Annualized based on January-October 2003 data.				
Source: U.S. Department of Commerce.				

Table 9				
U.S. Goods Trade Balances with Selected Countries/Regions				
Balance:	2000	2001	2002	2003*
	<i>Billions of Dollars</i>			
Canada	-51.9	-52.8	-48.2	-54.7
European Union	-55.0	-61.3	-82.1	-95.4
Japan	-81.6	-69.0	-70.0	-67.6
Mexico	-24.6	-30.0	-37.1	-40.7
China	-83.6	-83.1	-103.1	-128.1
Pacific Rim, except Japan and China	-50.0	-42.6	-41.9	-42.2
Latin America, except Mexico	-14.1	-9.2	-18.0	-27.1
Addendum: High Income Countries	-187.8	-183.7	-204.4	-222.7
Addendum: Low to Middle Income Countries	-248.6	-228.5	-266.0	-328.6
* Annualized based on January-October 2003 data.				
Source: U.S. Department of Commerce, Census Basis.				