

ANNEX I

Annex I. U.S. Trade in 2004

I. 2004 Overview

U.S. trade (exports and imports of goods and services, and the receipt and payment of earnings on foreign investment)¹ increased by 16 percent in 2004 to a value of approximately \$3.7 trillion.² This was the largest yearly increase in trade since 2000 (up 17 percent). The increase in trade in 2004 largely reflected a strong U.S. economy (real GDP up over 4 percent) as well as improved economic conditions in a number of U.S. trade partners. U.S. trade of goods and services increased by 14 percent, while U.S. trade of goods alone increased 15 percent and U.S. trade of services alone increased by 12 percent. Both exports of goods and services, and earnings on investment and imports of goods and services and payments on investment increased by 16 percent in 2004.

In 2003, the latest year in which data is available, the United States was the world's largest trading nation for both exports and imports of goods and services.³ The United States accounts for roughly 17 percent of world goods trade and for roughly 14 percent of world services trade.⁴ Through 2004, the value of U.S. trade has increased 28-fold since 1970, and 97 percent since 1994, the year before the start of the Uruguay Round implementation (*figure 1*).⁵ U.S. trade expansion was more rapid in the 1970-2004 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, 6.2 percent versus 3.2 percent.

The value of trade in goods and services, including earnings and payments on investment, was 31.5 percent of the value of U.S. GDP in 2004 (*figure 2*). This represented an increase from the corresponding figure in 2003 (29 percent), but down from its high point in 2000 (34 percent).⁶ For goods and services, excluding investment earnings and payments, U.S. trade represented 25.1 percent of the value of GDP in 2004, up from 23.5 percent in 2003, but down from its high of 26 percent in 2000.⁷

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, 2004 is estimated based on partial year data (January-November).

³ However, Germany surpassed the United States as the largest goods exporter in 2003.

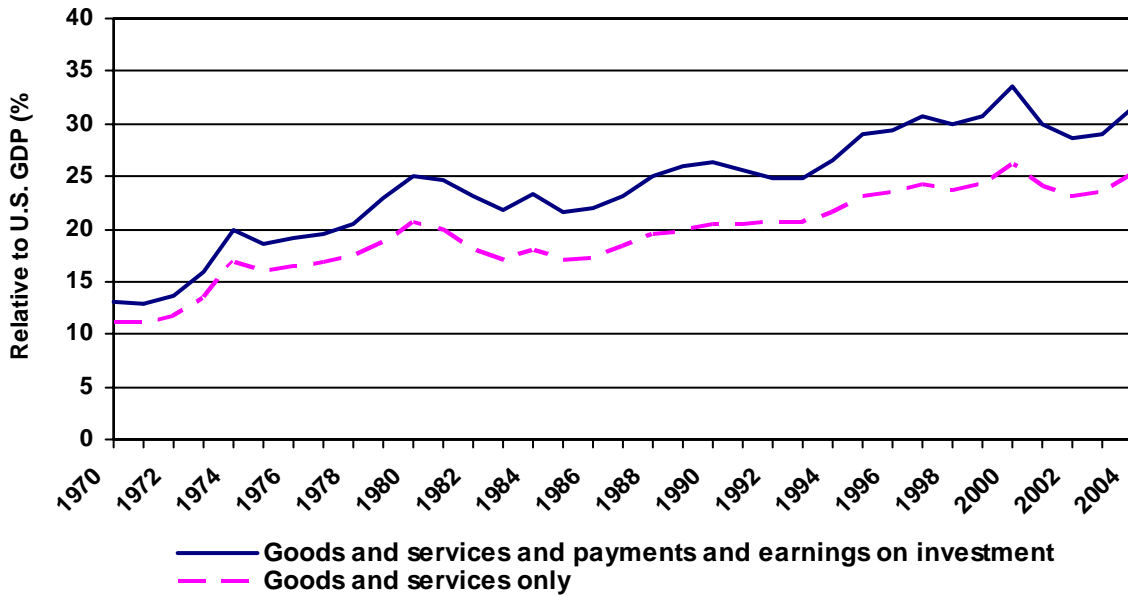
⁴ Goods trade excluding intra-EU trade.

⁵ Trade in goods and services alone has increased 26-fold since 1970 and 92 percent since 1994.

⁶ Thirteen percent of the value of GDP in 1970 and 27 percent in 1994.

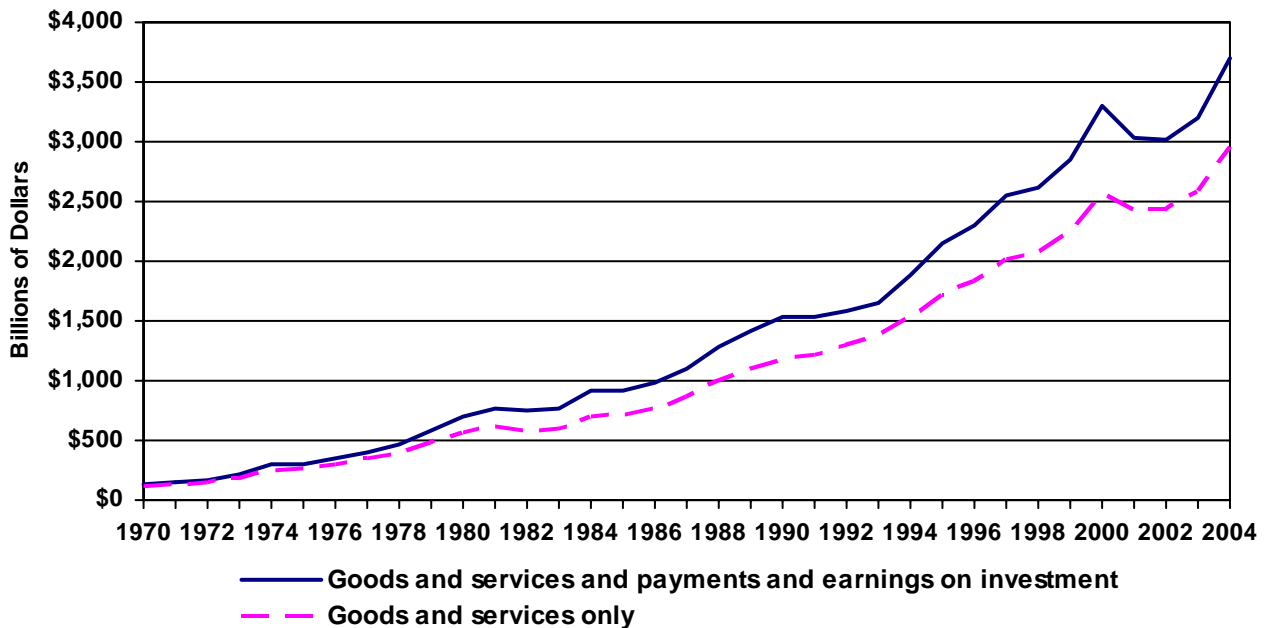
⁷ Eleven percent of the value of GDP in 1970 and 22 percent in 1994.

**Figure 2:
Growing Importance of Trade in the U.S. Economy**



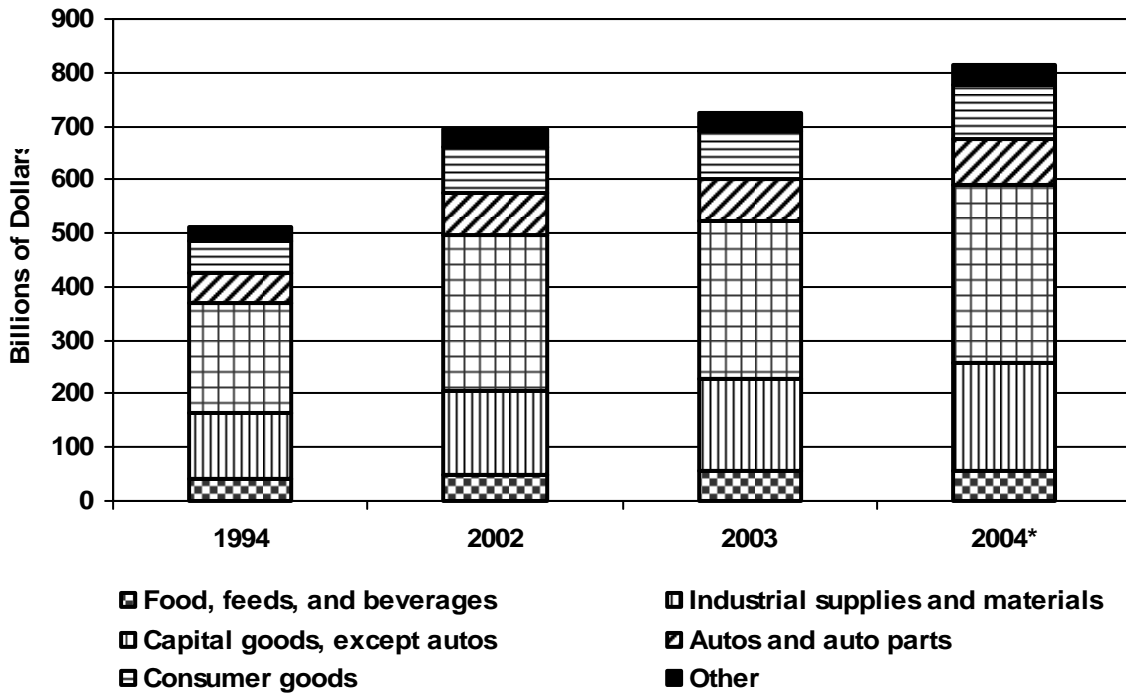
Total exports + imports as a percentage of the value of U.S. GDP
Source: U.S. Department of Commerce

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



Total exports + Imports
Source: U.S. Department of Commerce

**Figure 3:
U.S. Goods Exports**



* Annualized based on January-November 2004
Source: U.S. Department of Commerce, Census

This growth in trade has occurred in both U.S. exports and imports. U.S. exports of goods and services (including investment earnings) in 2004 are 22-fold greater than 1970 and 75 percent greater than 1994. U.S. imports of goods and services are 34-fold greater than 1970 and 117 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 \$119 billion from \$497 billion in 2003 (4.5 percent of GDP) to \$616 billion in 2004 (5.5 percent of GDP). The U.S. deficit in goods trade alone increased by \$98 billion from \$548 billion in 2003 (5.0 percent of GDP) to \$664 billion in 2004 (5.9 percent of GDP). The services trade surplus declined by \$3 billion from \$51 billion in 2003 (0.5 percent of GDP) to \$48 billion in 2004 (0.4 percent of GDP).

II. Goods Trade

A. Export Growth

U.S. goods exports increased by 13 percent in 2004, as compared to the 5 percent increase in the preceding year (*table 1*). Manufacturing exports, which account for 87 percent of total goods exports, were up 13 percent, while agriculture exports, which account for 8 percent of total goods exports, were up by 4 percent. High technology exports, a subset of manufacturing exports, accounted for 25 percent of total goods exports and were up 12 percent in 2004. U.S. goods exports increased for every major end-use category in 2004, with the largest increase in the industrial supplies and materials category, up 17 percent.

Since 1994, U.S. goods exports are up 60 percent. Manufacturing exports increased 64 percent, while high technology exports increased 67 percent, and agriculture exports increased 39 percent. Exports of consumer goods have risen by 70 percent, while industrial supplies and materials and capital goods have increased by more than 60 percent. Of the \$304 billion increase in goods exports since 1994, capital goods accounted for 42 percent of the increase, industrial supplies and materials accounted for 27 percent, and consumer goods accounted for 14 percent.

U.S. goods exports increased to all major markets in 2004 (*table 2*), led by a growth rate of 26 percent to China, and 18 percent to Latin America, excluding Mexico. U.S. exports increased 10 percent to high income countries and 17 percent to middle and low income countries. Since 1994, U.S. goods exports to low and middle income countries exhibited higher growth rates than that to high income countries, 75 percent compared to 48 percent. However, the United States still exports the majority of its goods to high income countries, roughly 55 percent in 2004.

Goods exports to China continued to increase in 2004, up 26 percent, the 5th straight year of double-digit growth. U.S. exports of industrial supplies and materials to China exhibited the largest growth, up 38 percent, while U.S. exports of agriculture products to China increased by 21 percent, rising to nearly \$6 billion. Exports of capital goods and industrial supplies accounted for 82 percent of U.S. exports to China in 2004, while agriculture exports accounted for 16 percent. U.S. exports to China have nearly quadrupled since 1994 (up 284 percent through 2004).

Table 1
U.S. Goods Exports

Exports:	1994	2002	2003	2004*	03-04*	94-04*
	<i>Billions of Dollars</i>				<i>Percent Change</i>	
Total (BOP basis)	502.9	681.8	713.1	804.2	12.8	59.9
Food, feeds, and beverages	42.0	49.6	55.0	56.0	1.7	33.4
Industrial supplies and materials	121.4	156.8	173.0	202.0	16.7	66.4
Capital goods, except autos	205.0	290.4	293.6	330.6	12.6	61.2
Autos and auto parts	57.8	78.9	80.7	87.8	8.9	52.1
Consumer goods	60.0	84.4	89.9	102.0	13.4	70.0
Other	26.5	32.9	32.5	37.1	14.1	39.9
Addendum: Agriculture	45.9	54.8	61.4	63.9	4.1	39.1
Addendum: Manufacturing	431.1	606.3	627.1	707.2	12.8	64.1
Addendum: High technology	120.7	178.6	180.2	202.0	12.1	67.3

* Annualized based on January-November 2004 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:	1994	2002	2003	2004*	03-04*	94-04*
	<i>Billions of Dollars</i>				<i>Percent Change</i>	
Canada	114.4	160.9	169.9	188.1	10.7	64.4
European Union (EU15)	107.8	143.7	151.7	167.5	10.4	55.5
Japan	53.5	51.4	52.0	54.6	5.1	2.1
Mexico	50.8	97.5	97.4	111.0	14.0	118.4
China	9.3	22.1	28.4	35.6	25.6	283.7
Asian Pacific Rim, except Japan and China	85.0	105.0	108.1	121.0	12.0	42.3
Latin America, except Mexico	41.7	51.6	51.9	61.2	17.8	46.7
Addendum: High Income Countries	299.6	386.8	404.5	443.8	9.7	48.1
Addendum: Low to Middle Income Countries	212.8	306.1	319.3	372.1	16.5	74.9

* Annualized based on January-November 2004 data.

Source: U.S. Department of Commerce, Census Basis.

Exports to our NAFTA partners increased 12 percent in 2004, and have increased 111 percent since 1993, the year before the start of NAFTA's implementation. Approximately 37 percent of aggregate U.S. goods exports went to NAFTA countries in 2004 (nearly \$300 billion), up from nearly 33 percent in 1993 (\$142 billion).

U.S. exports to Canada, the largest U.S. export market, accounting for 23 percent of U.S. exports, increased by 11 percent in 2004. Growth areas of U.S. exports to Canada include industrial supplies (up 16 percent), and capital goods, except autos (up 11 percent). Overall, U.S. exports to Canada are up by 64 percent since 1994.

U.S. exports to Mexico, the second largest country export market, accounting for 14 percent of U.S. exports, increased by 14 percent in 2004. This marked the first increase in U.S. exports to Mexico since 2000. U.S. exports were up 19 percent in industrial supplies and materials and 16 percent in capital goods (excluding autos). However, U.S. exports of consumer goods were down 1 percent. Since 1994, U.S. exports to Mexico have increased nearly 120 percent.

U.S. exports to the European Union were up 10 percent in 2004. Exports increased in consumer goods (up 22 percent), industrial supplies (up 10 percent), and capital goods (up 9 percent). In 2004, the EU accounted for 21 percent of aggregate U.S. exports. Since 1994, U.S. exports to the EU have increased by 56 percent.

U.S. exports to Latin America (excluding Mexico) and the Asian Pacific Rim (excluding China and Japan) increased 18 percent and 12 percent, respectively, in 2004. Although U.S. exports to Japan increased only 5 percent in 2004, this growth was still nearly 5 times larger than the growth rate in 2003. U.S. exports to Japan have declined in 5 of the last 8 years, and are only up 2 percent since 1994. U.S. exports to Latin America (excluding Mexico) and the Asian Pacific Rim (excluding China and Japan) have increased 47 percent and 42 percent, respectively, since 1994.

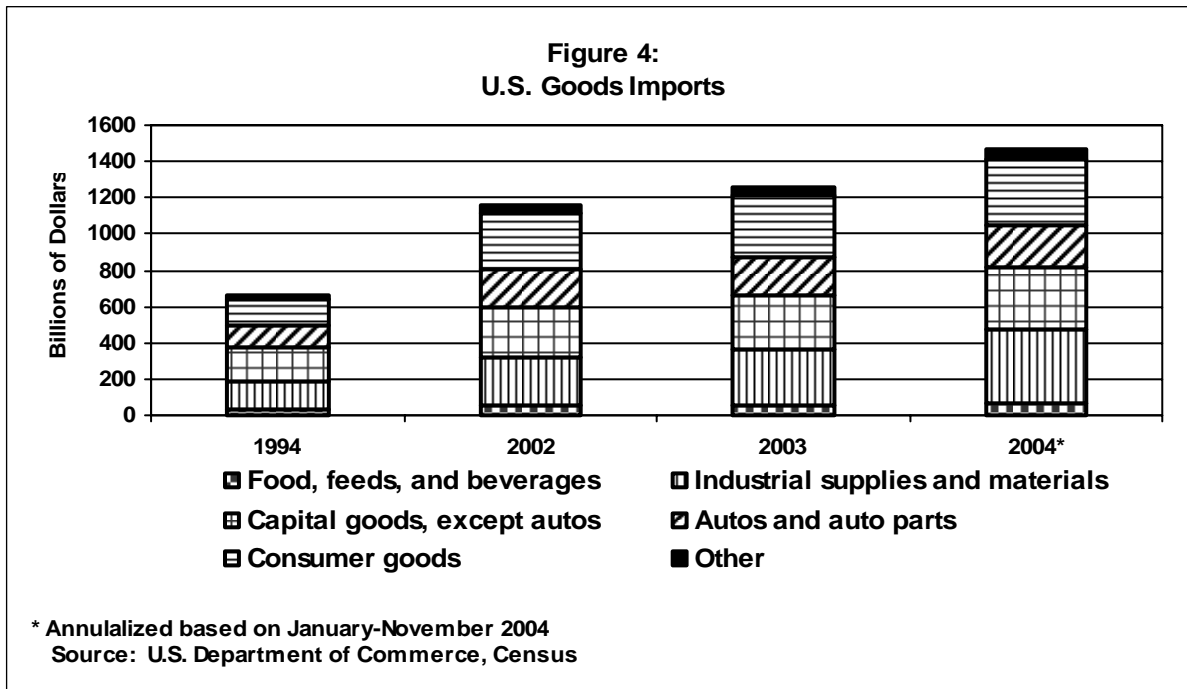
B. Import Growth

U.S. goods imports increased 17 percent in 2004 (*table 3 and figure 4*), doubling the 8 percent growth rate in 2003. Manufacturing imports, accounting for 80 percent of total goods imports, increased 15 percent in 2004. High technology imports, accounting for 16 percent of total goods imports, increased by 16 percent, while agriculture imports, accounting for 4 percent of total goods imports, increased by 15 percent in 2004. U.S. goods imports increased for every major end-use category in 2004, with the largest increases in industrial supplies (including petroleum) (up 31 percent), and capital goods (up 16 percent). The three largest end-use categories for U.S. imports together accounted for 76 percent of total U.S. imports (industrial supplies - 28 percent; consumer goods - 25 percent; and capital goods - 23 percent).

Since 1994, U.S. goods imports are up nearly 120 percent, nearly doubling the growth by U.S. exports. U.S. imports of manufactured products and agriculture products increased by 111 percent and 110 percent, respectively. U.S. imports of advanced technology products increased by 145 percent. For the major end-use categories, U.S. imports of consumer goods and industrial supplies each have grown by 153 percent since 1994. Of the \$807 billion increase in goods imports since 1994, industrial supplies and materials accounted for 31 percent of the increase, Consumer goods accounted for 28 percent, capital goods for 20 percent, and autos and auto parts for 14 percent.

**Table 3:
U.S. Goods Imports**

Imports:	1994	2002	2003	2004*	03-04*	94-04*
	<i>Billions of Dollars</i>				<i>Percent Change</i>	
Total (BOP Basis)	668.7	1,164. 7	1,260. 7	1,468. 3	16.5	119.6
Food, feeds, and beverages	31.0	49.7	55.8	62.0	11.1	100.3
Industrial supplies and materials	162.1	267.7	313.8	409.9	30.6	152.8
Capital goods, except autos	184.4	283.3	295.8	343.6	16.1	86.4
Autos and auto parts	118.3	203.7	210.2	228.7	8.8	93.4
Consumer goods	146.3	307.8	333.9	370.7	11.0	153.5
Other	21.3	49.1	47.6	50.4	5.9	136.9
Addendum: Agriculture	26.0	42.0	47.5	54.4	14.7	109.7
Addendum: Manufacturing	557.3	974.6	1,027. 4	1,176. 7	14.5	111.1
Addendum: High technology	98.1	195.2	207.0	240.0	15.9	144.6
* Annualized based on January-November 2004 data.						
Source: U.S. Department of Commerce, Balance of Payments Basis for Total, Census Basis for Sectors.						



Imports from:	1994	2002	2003	2004*	03-04*	94-04*
	<i>Billions of Dollars</i>				<i>Percent Change</i>	
Canada	128.4	209.1	221.6	256.3	15.7	99.6
European Union (EU15)	119.5	225.8	244.8	273.6	11.8	129.0
Japan	119.2	121.4	118.0	129.5	9.7	8.7
Mexico	49.5	134.6	138.1	156.1	13.1	215.5
China	38.8	125.2	152.4	196.2	28.7	405.7
Asian Pacific Rim, except Japan and China	103.2	146.9	148.5	166.7	12.3	61.6
Latin America, except Mexico	38.5	69.5	78.8	98.7	25.2	156.6
Addendum: High Income Countries	384.9	589.2	621.9	703.6	13.1	82.8
Addendum: Low to Middle Income Countries	278.3	572.1	637.8	769.3	20.6	176.4

* Annualized based on January-November 2004 data.
Source: U.S. Department of Commerce, Census Basis.

On a regional basis, U.S. goods imports increased from all the major markets from 2003 to 2004, led by a growth rate of 29 percent from China, and 25 percent from Latin America excluding Mexico. U.S. imports increased by 21 percent from low and middle income countries and by 13 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, 176 percent compared with 83 percent. Accordingly, the share of U.S. imports from low and middle income countries has increased from 42 percent in 1994 to 52 percent in 2004.

U.S. goods imports continued its strong growth from China in 2004, even surpassing the significant growth rate of 2003 (29 percent as compared to 22 percent). U.S. imports from China have increased by over 400 percent since 1994. As such, China has become the second largest single country supplier of goods to the United States. Thirteen percent of total U.S. imports were sourced from China in 2004, up from 6 percent in 1994. When imports from China, Japan, and the other Asian-Pacific Rim countries are considered together, however, the region's share of U.S. imports has actually declined from 39 percent in 1994 to 33 percent in 2004. Imports from China accounted for 20 percent of the overall increase in U.S. imports from the world since 1994 (second to NAFTA's 29 percent and just greater than the EU's 19 percent). Much of U.S. imports from China are low value-added consumer goods, such as toys, footwear, apparel and some areas of consumer electronics. Consumer goods made up 54 percent of U.S. imports from China in 2004. U.S. imports of capital goods, industrial supplies, and autos and parts, however, exhibited strong growth in 2004, each above 40 percent.

Imports from Latin America (excluding Mexico) increased by 25 percent in 2004, and have increased by 157 percent since 1994. Roughly 60 percent of the increase in imports from Latin America was in the mineral fuel category. U.S. import prices for crude oil through the first 11 months of 2004 were up 27 percent over the same period of 2003. U.S. imports from Latin America accounted for 7 percent of total U.S. imports in 2004.

U.S. goods imports from the EU, accounting for 19 percent of total U.S. imports, increased by 12 percent in 2004, surpassing the 8 percent growth rate in 2003. More than half of U.S. imports from the EU were consumer goods and capital goods, each accounting for 27 percent of total imports. Import categories that exhibited the largest growth in 2004 included industrial supplies (up 22 percent), capital goods (up 13 percent), and consumer goods (up 9 percent). U.S. imports from the EU have increased by 129 percent since 1994.

Imports from our NAFTA partners increased 15 percent in 2004 and are up 173 percent since NAFTA started implementation. NAFTA imports accounted for 28 percent of aggregate U.S. goods imports in 2004, down slightly from 29 percent in 2003, 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 16 percent in 2004. U.S. imports of industrial supplies from Canada were up 21 percent in 2004, while automotive vehicles and parts were up 13 percent. U.S. imports from Canada have nearly doubled since 1994.

U.S. imports from Mexico, the third largest single country supplier of goods to the United States, increased by 13 percent in 2004. U.S. imports of industrial supplies increased by 31 percent, while imports of agriculture products increased by 15 percent. U.S. imports from Mexico have grown 216 percent since 1994.

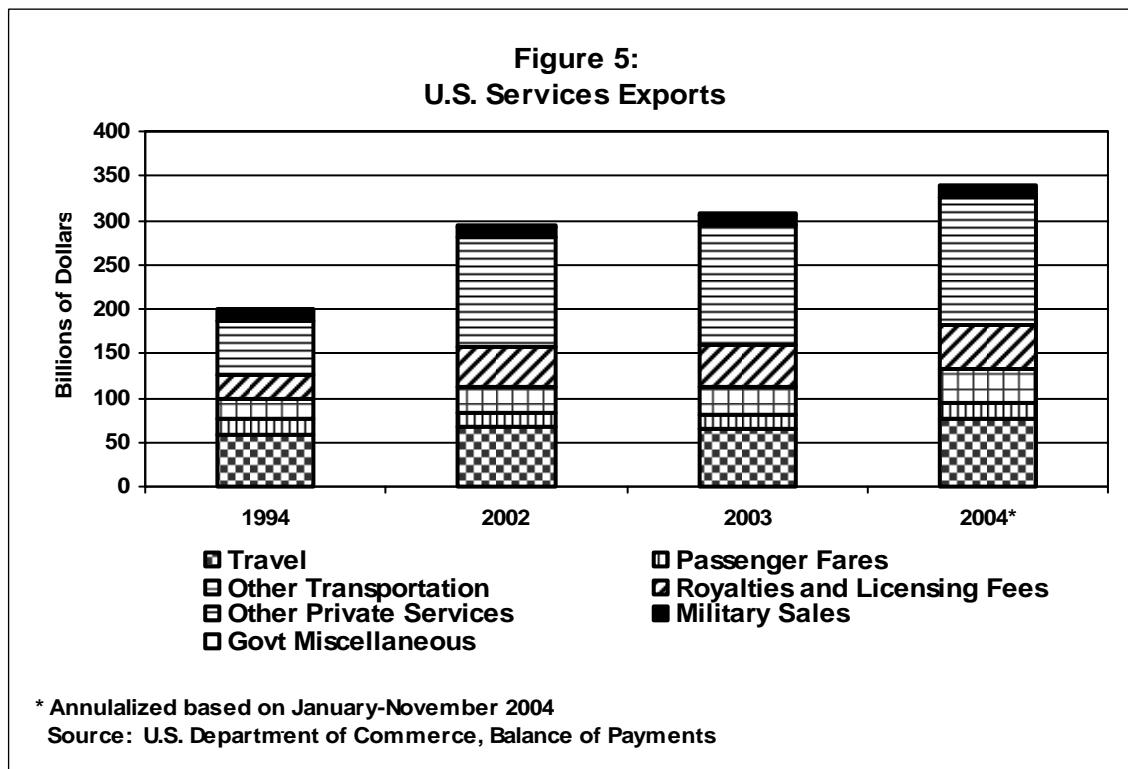
Imports from the Pacific Rim (excluding Japan and China) increased 12 percent in 2004, and were up 62 percent since 1994. Imports from Japan increased 10 percent in 2004, but were only up by 9 percent since 1994. Purchases from Japan in 2004 accounted for 9 percent of total U.S. imports, as compared to 18 percent in 1994.

III. Services Trade

A. Export Growth

U.S. exports of services grew roughly 11 percent in 2004 to \$340 billion, and since 1994, U.S. services exports have increased by approximately 70 percent. U.S. services exports accounted for 30 percent of the level of U.S. goods and services exports in 2004, compared to 29 percent in 1994.

Table 5: U.S. Services Exports						
Exports:	1994	2002	2003	2004*	03-04*	94-04*
	<i>Billions of Dollars</i>				<i>Percent Change</i>	
Total (BOP basis)	200.4	294.1	307.4	339.9	10.6	69.6
Travel	58.4	66.7	64.5	75.4	16.8	29.0
Passenger Fares	17.0	17.0	15.7	18.9	20.7	11.5
Other Transportation	23.8	29.2	31.8	37.4	17.6	57.5
Royalties and Licensing Fees	26.7	44.2	48.2	51.1	6.0	91.4
Other Private Services	60.8	124.2	133.8	142.6	6.6	134.4
Transfers under U.S. Military Sales Contracts	12.8	11.9	12.5	13.7	9.9	7.3
U.S. Government Miscellaneous Services	0.9	0.8	0.8	0.7	-8.1	-16.1
* Annualized based on January-November 2004 data.						
Source: U.S. Department of Commerce, Balance of Payments Basis.						



The growth in U.S. services exports in 2004 was largely driven by travel and the other private services categories. Of the \$32 billion increase in U.S. services exports in 2004, the travel category accounted for 33 percent while the other private services category accounted for 27 percent. Categories exhibiting the largest export growth rates in 2004 were the passenger fares, other transportation, and travel categories (up 21 percent, 18 percent, and 17 percent respectively).

Since 1994, nearly all of the major services export categories have grown. Export growth has been led by the other private services category, up 134 percent, and the royalties and licensing fees category, up 91 percent. The other transportation and travel categories also were up 58 percent and 29 percent, respectively. Of the \$139 billion increase in U.S. services exports between 1994 and 2004, the other private services category accounted for 59 percent of the increase, the royalties and licensing fees category accounted for 18 percent, and the travel category accounted for 12 percent.

Detailed sectoral breakdowns for exports of the other private services category are available only through 2003. In 2003, other private services exports totaled \$134 billion. Of this, U.S. exports to business related parties (to a foreign parent or affiliate) accounted for \$48 billion, or 36 percent of total other private services exports. The largest categories for U.S. exports of other private services to related and unrelated parties, in 2003 were: business, professional and technical services, \$70 billion; financial services, \$23 billion; education, \$13 billion; film and television tape rentals, \$10 billion; telecommunications, \$5 billion; and insurance, \$5 billion. The business, professional and technical services category were led by the computer and information services (\$7.6 billion), research and development and testing services (\$6.8 billion), operational leasing (\$6.3 billion), installation, maintenance, and repair of equipment (\$5.0 billion); and management and consulting services (\$4.2 billion).⁸

⁸ Installation, maintenance, and repair of equipment services value for unaffiliated sales only.

The United Kingdom was the largest purchaser of U.S. private services exports in 2003, accounting for 12 percent of total U.S. private services exports (latest data available). The top 5 purchasers of U.S. private services exports in 2003 were: the United Kingdom (\$35 billion), Japan (\$30 billion), Canada (\$27 billion), Germany (\$18 billion), and Mexico (\$17 billion).

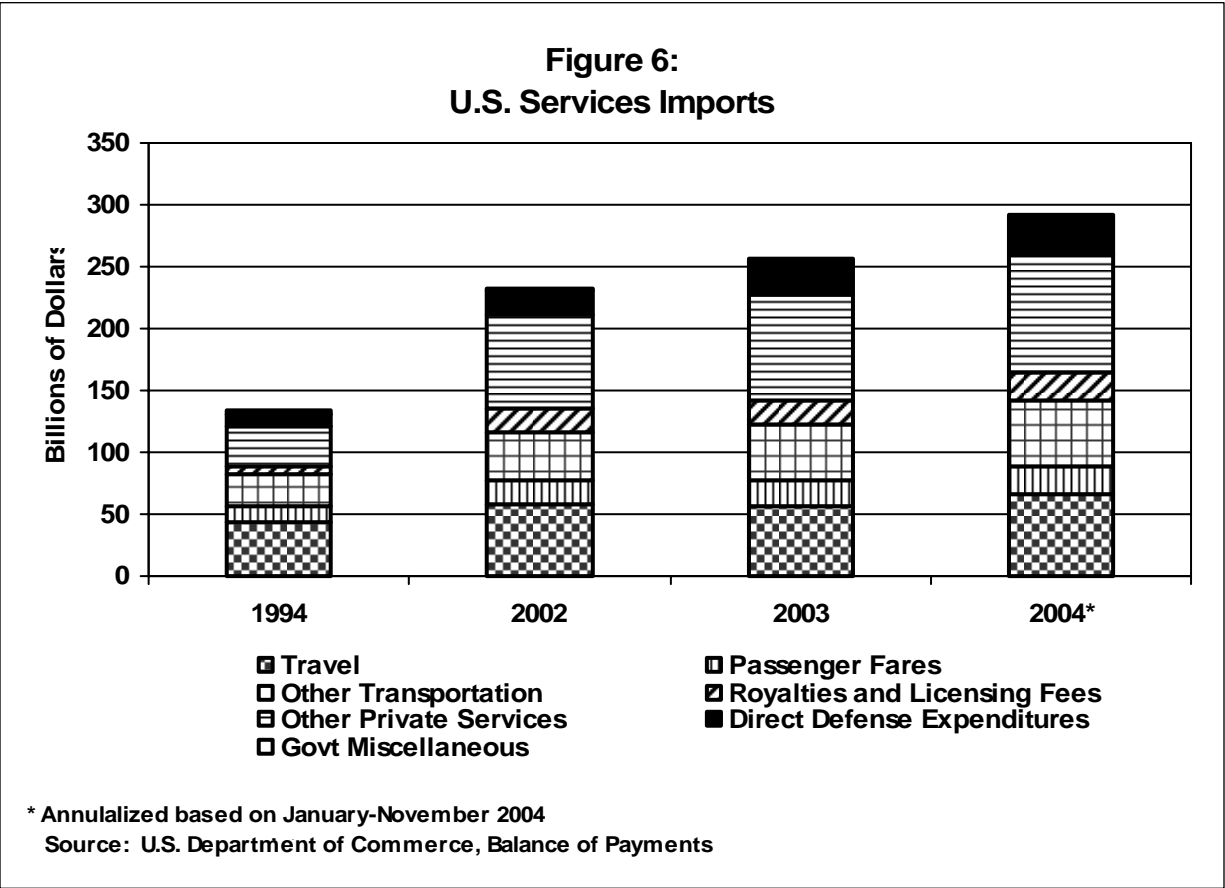
Regionally, in 2003, the United States exported \$101 billion to the EU, \$78 billion to the Asia/Pacific Region (\$42 billion excluding Japan and China), \$43 billion to NAFTA countries, and \$21 billion to Latin America (excluding Mexico).

B. Import Growth

Services imports by the United States increased in 2004 by 14 percent to \$292 billion (*table 6, figure 6*). While import growth was greater than export growth in 2004 (14 percent compared to 12 percent) the United States remained a net exporter of services. Three services import categories each accounted for roughly 25 percent of the \$35 billion growth in U.S. imports of services between 2003 and 2004: other private services, other transportation, and travel.

Table 6: U.S. Services Imports						
Imports:	1994	2002	2003	2004*	03-04*	94-04*
	<i>Billions of Dollars</i>				<i>Percent Change</i>	
Total (BOP basis)	132.9	232.9	256.3	291.6	13.8	119.4
Travel	43.8	58.0	56.6	65.6	15.8	49.7
Passenger Fares	13.1	20.0	21.0	23.2	10.8	77.8
Other Transportation	26.0	38.4	44.8	53.7	19.9	106.4
Royalties and Licensing Fees	5.9	19.2	20.0	22.8	13.8	289.9
Other Private Services	31.5	75.3	85.8	94.6	10.2	200.6
Direct Defense Expenditures	10.2	19.1	25.1	28.5	13.6	179.4
U.S. Government Miscellaneous Services	2.6	2.9	3.0	3.2	7.7	26.3

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



Since 1994, services imports grew 119 percent or \$159 billion. This growth was driven by the other private services category (accounting for 40 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 nearly quadrupled, while imports of other private services and direct defense expenditures have increased 201 percent and 179 percent, respectively.

As with exports, detailed sectoral breakdowns for imports of other private services are available only through 2003. In 2003, other private services imports totaled \$86 billion. Of this, U.S. imports from business related parties (from a foreign parent or affiliate) accounted for \$35 billion or 41 percent of total other private service imports. The largest categories for U.S. imports of other private services from related and unrelated parties in 2003 were: business professional and technical services, \$41 billion; insurance services, \$27 billion; financial services, \$10 billion; and telecommunications, \$5 billion. The business, professional and technical services category were led by the computer and data processing services (\$5.2 billion), management, consulting, and public relations services (\$3.6 billion), research, development, and testing services (\$2.9 billion), and miscellaneous disbursements (\$1.7 billion).⁹

In the import sector, the United Kingdom remained our largest supplier of private services, providing \$31 billion to the United States in 2003. This accounted for 13 percent of total U.S. imports of private services in 2003. The United States imported \$19 billion from Canada, our second largest supplier, and

\$17 billion from Japan, our third largest supplier. Bermuda and Germany were our fourth and fifth largest import suppliers, both exporting \$16 billion worth of services to the U.S., respectively, in 2003.

Regionally, the U.S. imported \$87 billion of services from the EU, \$48 billion from the Asia/Pacific region (\$27 billion excluding Japan and China), \$31 billion from NAFTA, and \$11 billion from Latin America (excluding Mexico).

IV. The U.S. Trade Deficit

The U.S. goods and services deficit increased by \$119 billion in 2004 to a level of \$616 billion (*table 7*). The U.S. goods trade deficit alone increased by \$117 billion to \$664 billion in 2004. The services trade surplus declined by \$3 billion to \$48 billion in 2004.

As a share of U.S. GDP, the goods and services trade deficit was 5.5 percent of GDP in 2004, an increase of 1.0 percentage points from the level in 2003 (*table 8*). The goods trade deficit was 5.9 percent of GDP in 2004, up from 5.0 percent in 2003. The services trade surplus was 0.4 percent of GDP in 2004, down from 0.5 percent in 2003.

The regional distribution of the goods trade deficit for 1994 and the past 3 years is shown in table 9.

Table 7				
U.S. Trade Balances with the World				
Balance:	1994	2002	2003	2004*
	<i>Billions of Dollars</i>			
Goods and Services (BOP Basis)	-97.2	-421.7	-496.5	-615.9
Goods (BOP Basis)	-165.8	-482.9	-547.6	-664.2
Services (BOP Basis)	67.5	61.2	51.0	48.3
* Annualized based on January-November 2004 data.				
Source: U.S. Department of Commerce, Balance of Payments Basis for World.				

⁹ Miscellaneous disbursements include transactions such as outlays to fund news-gathering costs of broadcasters, disbursements to fund production costs of motion pictures companies, and fees to maintain government tourism and business promotion offices.

Table 8				
U.S. Trade Balances as a share of GDP				
Share of GDP:	1994	2002	2003	2004*
	<i>Percent</i>			
Goods and Services (BOP Basis)	-1.4	-4.0	-4.5	-5.5
Goods (BOP Basis)	-2.3	-4.6	-5.0	-5.9
Services (BOP Basis)	1.0	0.6	0.5	0.4
* Annualized based on January-November 2004 data.				
Source: U.S. Department of Commerce.				

Table 9				
U.S. Goods Trade Balances with Selected Countries/Regions				
Balance:	1994	2002	2003	2004*
	<i>Billions of Dollars</i>			
Canada	-14.0	-48.2	-51.7	-68.2
European Union (EU15)	-11.7	-82.1	-93.1	-106.1
Japan	-65.7	-70.0	-66.0	-74.9
Mexico	1.4	-37.1	-40.6	-45.1
China	-29.5	-103.1	-124.1	-160.5
Asian Pacific Rim, except Japan and China	-18.2	-41.9	-40.4	-45.7
Latin America, except Mexico	3.2	-18.0	-26.9	-37.5
Addendum: High Income Countries	-85.4	-202.4	-217.4	-259.8
Addendum: Low to Middle Income Countries	-65.5	-266.0	-318.5	-397.1
* Annualized based on January-November 2004 data.				
Source: U.S. Department of Commerce, Census Basis.				