



Issue Brief

Number 5

June 2003

Bureau of Transportation Statistics



U.S. Department of Transportation

U.S. International Trade in Transportation-Related Goods

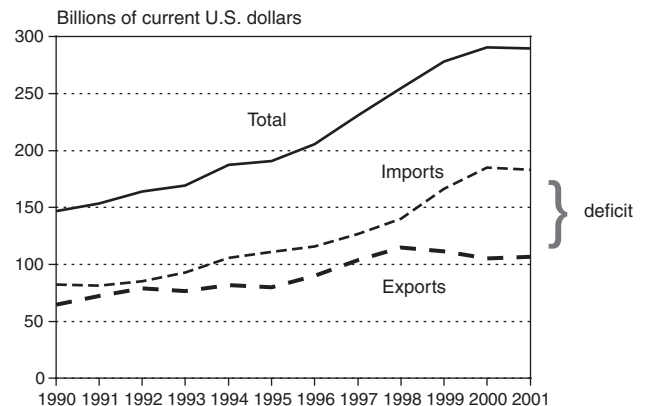
- Trade in motor vehicles and parts makes up three of every four dollars that the U.S. trades in transportation-related goods.
- Canada is the United States' leading trade partner in transportation-related goods, followed by Japan and Mexico.
- While the United States had a \$100 billion trade deficit in motor vehicles and parts in 2001, it had a \$24 billion surplus in aircraft, maritime vessel, and railway locomotive trade.

U.S. exports and imports of transportation-related goods totaled \$290 billion in 2001 as this trade remained an important component of overall U.S. international trade (see figure 1 and table 1). But the share of transportation-related goods relative to all U.S. traded goods fell slightly from 16.5% in 1990 to 15.5% in 2001.

Trade in motor vehicles and parts, by far the largest transportation-related trade category, accounts for three of every four dollars of transportation-related goods trade—a ratio that has held steady for more than a decade. The value of motor vehicles and parts trade was more than \$218 billion in 2001—\$159 billion imported and \$59 billion exported. This \$100 billion trade deficit was more than double the 1990 deficit of \$42 billion for motor vehicles and parts.

Aircraft, spacecraft, and parts, the second largest transportation commodity trade group, accounted for 23% of U.S. trade in transportation-related goods, valued at nearly \$66 billion in 2001. Unlike motor vehicles, a higher proportion of these goods are exported than imported. However, the surplus from this trade has narrowed. Only 68% were exports in 2001, down from 83% in 1990. Despite this drop, the sale of aircraft, spacecraft, and parts created the largest overall trade surplus for any commodity in U.S. international trade.

Figure 1. Value of U.S. Trade in Transportation-Related Goods: 1990-2001



SOURCE: U.S. Department of Transportation, Bureau of Transportation Statistics, based on data from the U.S. Department of Commerce, U.S. International Trade Commission, Available at <http://dataweb.usitc.gov/>, as of August 5, 2002.

Table 1. U.S. Merchandise Trade: 1990 and 2001 (Billions of current dollars)

	1990	2001
Total, all merchandise trade	889	1,873
Exports	393	731
Imports	496	1,142
Trade balance, all merchandise goods	-103	-411
Transportation-related trade	147	290
Exports	65	107
Imports	82	183
Trade balance, transportation-related goods	-17	-76

SOURCE: U.S. Department of Transportation, Bureau of Transportation Statistics, based on data from U.S. International Trade Commission. Available at <http://dataweb.usitc.gov/>, as of August 5, 2002.

North American Trade

U.S.-Canada trade in transportation-related goods totaled \$92 billion in 2001 as Canada continued its long-time standing as the United States' leading trade partner in this sector.

Table 2. U.S. Trade in Transportation-Related Goods: 1990 and 2001 (\$ millions)

Country	1990	Country	2001
Motor vehicles and parts			
U.S. total	106,939	U.S. total	218,091
Canada	44,198	Canada	80,905
Japan	30,035	Japan	43,267
Germany	8,359	Mexico	37,326
Mexico	7,049	Germany	19,842
U.K.	2,239	Korea	7,231
Aircraft, spacecraft, and parts			
U.S. total	36,953	U.S. total	65,804
United Kingdom	5,203	Canada	8,720
Japan	3,940	France	7,895
Canada	3,284	United Kingdom	6,200
France	2,394	Germany	5,402
Germany	2,237	Japan	4,185
Ships, boats, and floating structures			
U.S. total	1,629	U.S. total	3,105
Canada	240	Canada	1,068
Japan	216	Norway	355
Singapore	132	United Kingdom	183
United Kingdom	102	Taiwan	165
France	84	Italy	135
Railways, locomotives, and parts			
U.S. total	1,223	U.S. total	2,863
Canada	712	Canada	1,228
Mexico	129	Mexico	516
Japan	85	Japan	238
Sweden	39	Italy	111
Germany	24	China	71

SOURCE: U.S. Department of Transportation, Bureau of Transportation Statistics, based on data from the U.S. Department of Commerce, U.S. International Trade Commission, Available at <http://dataweb.usitc.gov/>, as of August 5, 2002.

Mexico is also an important U.S. trade partner in motor vehicles and parts. Ninety-one percent of U.S.-NAFTA (North America Free Trade Agreement) partner trade in transportation-related goods is in motor vehicles and parts—over \$118 billion in 2001—reflecting the growing importance of North American automotive manufacturing trade. U.S.-Mexico motor vehicles and parts trade more than quadrupled from 1990 to 2001 as Mexico became the third leading U.S. partner for these goods (Japan is number two).

Global Trade

Between 1990 and 2001, Canada, the United Kingdom, Germany, Japan, and France remained among the top U.S. partners in aircraft, spacecraft, and parts trade (table 2).

In 2001, just 10 countries accounted for 85% of all U.S. trade in transportation-related goods—a share that has remained stable since 1990.

While the United States had a \$100 billion trade deficit in motor vehicles and parts in 2001, that deficit was tempered by a \$24 billion surplus in other transportation-related goods (including aircraft, maritime vessels, and railway locomotives), leading to a \$76 billion deficit for these goods (figure 1). This trade deficit was a sizeable increase over the 1990 deficit of \$17 billion for all transportation-related goods and contributed to the overall U.S. merchandise trade deficit of \$411 billion in 2001 (table 1).

Even though the trade deficit for motor vehicles and parts has increased since 1990, its share of the total U.S. merchandise trade deficit dropped from 41% in 1990 to less than 25% in 2001.

Almost two-thirds of the motor vehicle trade deficit in 1990 was with Japan, \$27 billion of \$42 billion. By 2001, however, Japan's share of the U.S. motor vehicle trade deficit had fallen to 39% while our deficits with many other countries have grown (e.g., Mexico from 0.6% to 15%; Korea from 2.3% to 6.3%; China from 0.04% to 1.3%).

Aircraft, spacecraft, and parts trade had more than a \$23 billion surplus achieved through trade surpluses with the United Kingdom and other trade partners. The only deficits for aircraft products were with France and Canada—both countries with large aviation manufacturing sectors. The trade deficit with Canada for aircraft and parts grew from \$249 million in 1990 to \$3.5 billion in 2001.

In 2001, the United States achieved its first surplus in the trade of railway locomotives and parts since 1990. That \$149 million surplus was in sharp contrast to the \$416 million deficit in 2000. The surplus can largely be attributed to the U.S. supplying railcars and parts to Canada, the largest U.S. trade partner for railway products. This trade surplus of \$257 million with Canada outweighed the combined deficit of \$108 million with all other countries.

The United States also had a surplus of \$693 million in ships, boats, and floating structures trade in 2001.

References

U.S. Department of Transportation, Bureau of Transportation Statistics, *U.S. International Trade and Freight Transportation Trends*, April 2003.

For related information on U.S. international trade and transportation, please visit the BTS website for the following publications and datasets:

North American Trade and Travel Trends

November 2001

www.bts.gov/publications/nattt/index.html

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