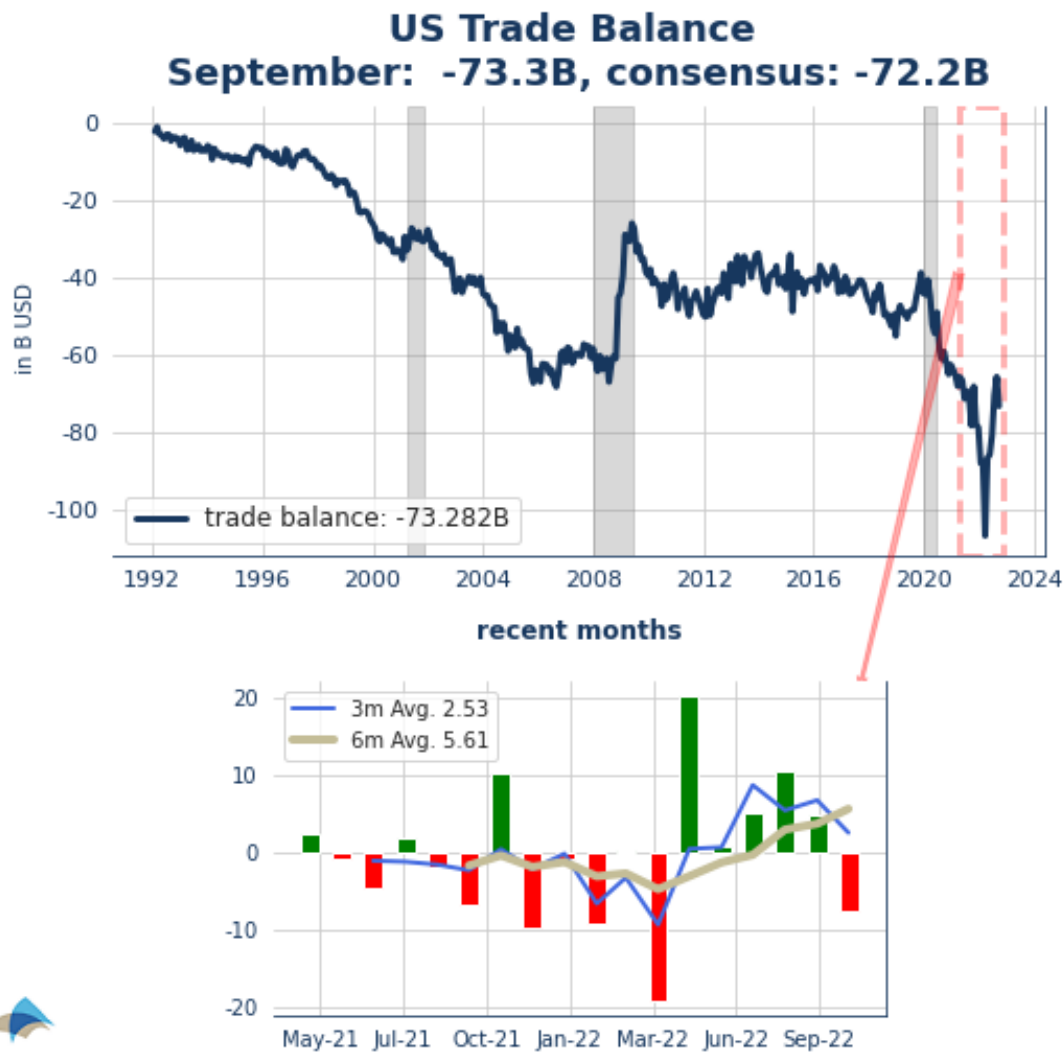


03. Nov.2022.

International Trade: Balance Turns Lower

Bottom Line: The US trade deficit grew more negative for the first time in six months as imports increased moderately and exports slipped. Apple's new iPhone boosted consumer goods imports in September as pharmaceutical products, semiconductors, and civilian aircraft also added to imports. Export declines were led by ags, as crude oil exports also declined. All that said, the trend remains towards modestly lower trade deficits, and there were positive revisions to previously reported data. Slower US consumer demand and more efficient supply chains should aid the medium-trend as we slowly assess if the anecdotal evidence of long-term "re-onshoring" shows in the data. Net trade was a moderate positive for GDP, and these data offer the potential for a slight downward revision to that figure, but it should remain significantly positive. So far, indications for the 4th Quarter suggest trade should have relatively little impact.



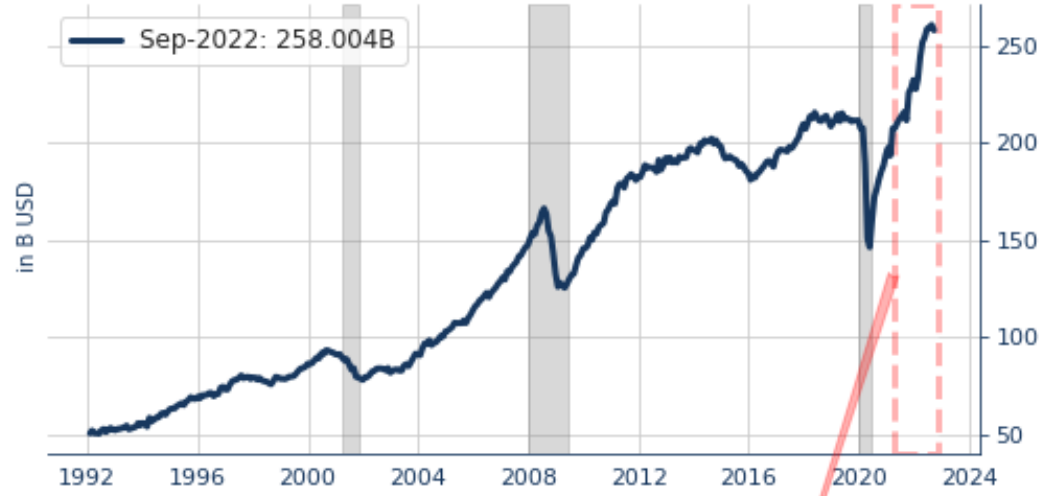
Contingent Macro Advisors 2022 source: US Census Bureau BEA

The International Trade Deficit WIDENED by \$7.6 billion to \$73.3 billion in September, compared with market expectations for a decline to a \$72.2 billion deficit.

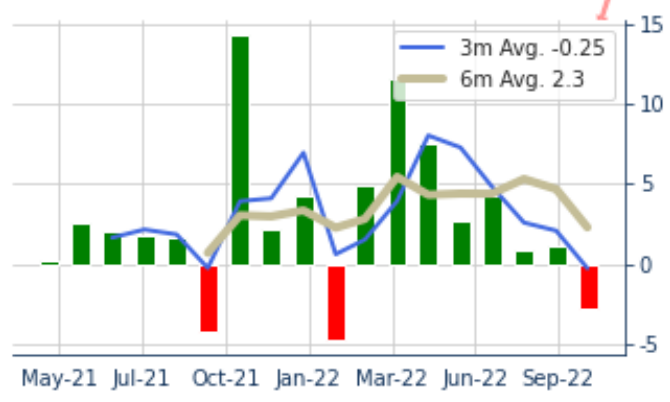
Exports FELL by 1.1% to \$258.0 billion after an increase of 0.5% in the prior month. The declines in industrial supplies and materials and food, feed, and beverages were partially offset by increases in capital goods and motor vehicles and parts. Export growth is now 21.9% ABOVE their year-ago level.

Imports ROSE 1.475% to \$331.3 billion after a decline of 1.1% in the prior month. The declines in industrial supplies and materials and food, feed, and beverages were more offset by increases in capital goods and consumer goods. Imports are now 14.3% ABOVE their year-ago level.

US Trade - Total Exports



recent monthly changes

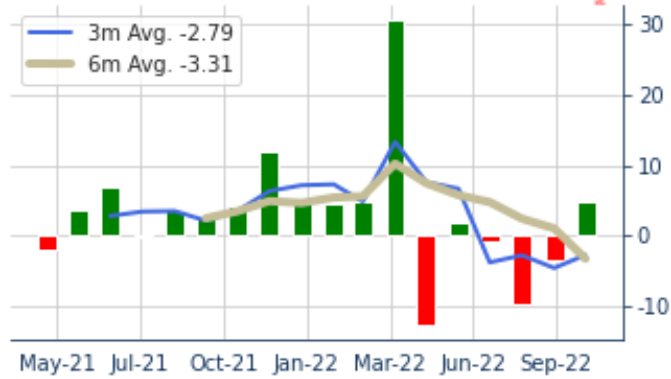


Contingent Macro Advisors 2022 source: US Census Bureau BEA

US Trade - Total Imports

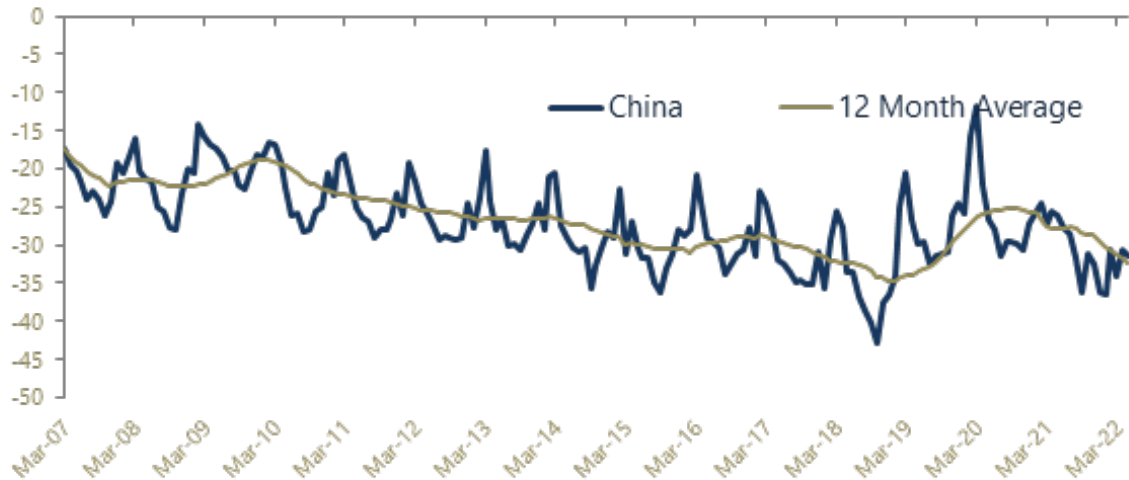


recent monthly changes

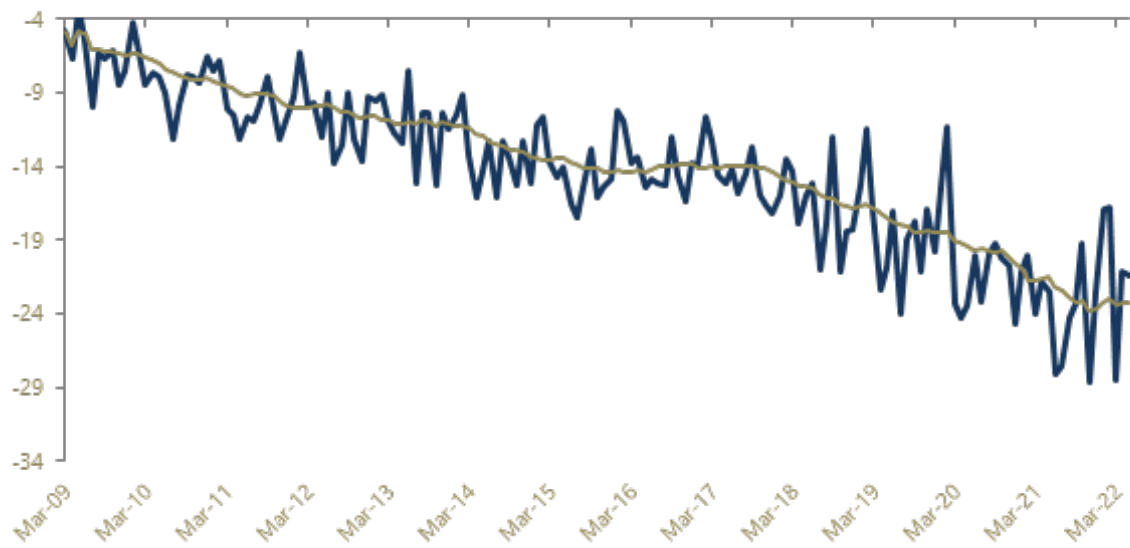


Contingent Macro Advisors 2022 source: US Census Bureau BEA

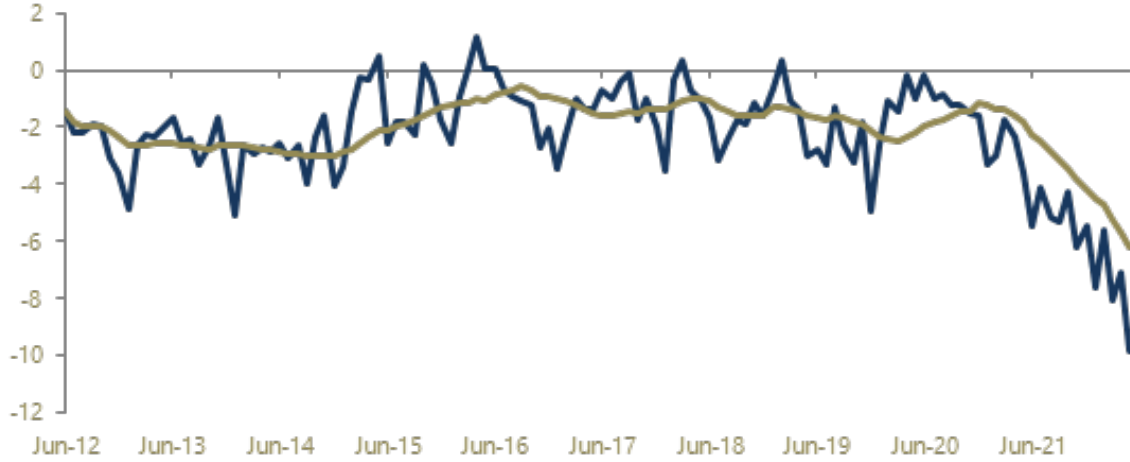
US Trade Balance with China NSA (\$ bn)



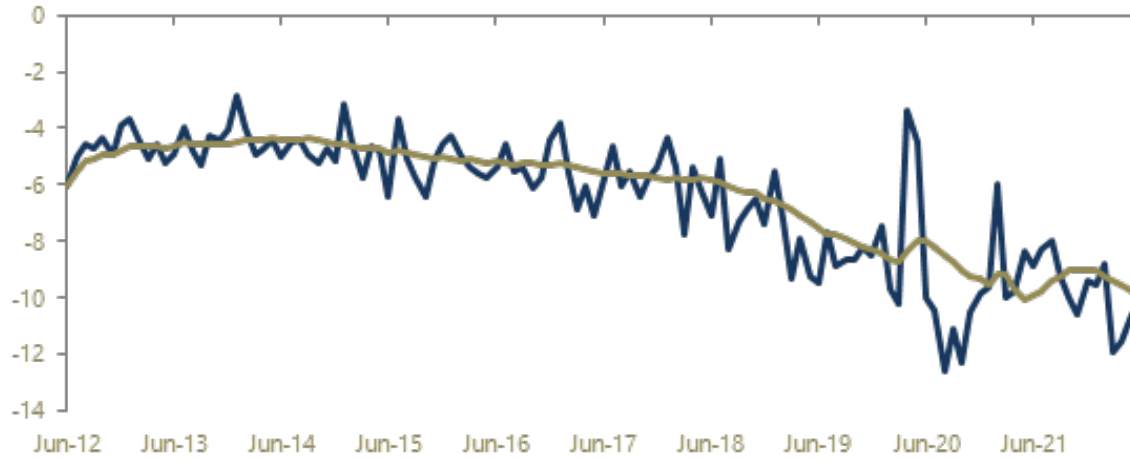
US Trade Balance with Europe NSA (\$ bn)



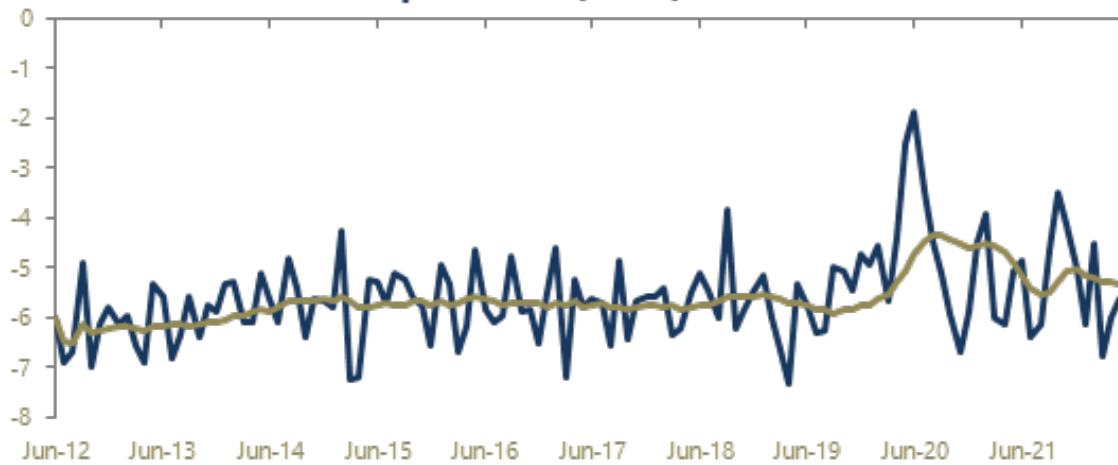
Trade Balance with Canada NSA (\$ bn)



Trade Balance with Mexico NSA (\$ bn)



Trade Balance with Japan NSA (\$ bn)



US Trade Balance monthly change	Sep-22	Aug-22	3m. avg.	6m. avg.	12m. avg.	2021	5y
Total Balance	-73.3	-65.7	-69.8	-77.1	-80.9	-70.4	-58.6
Total Exports	258.0	260.8	259.5	257.2	244.6	213.1	211.2
Total Imports	331.3	326.5	329.3	334.4	325.4	283.5	269.8
Goods Exports	180.2	183.9	182.4	181.2	170.7	146.8	141.8
Goods Imports	272.9	270.0	272.4	277.9	271.3	237.6	222.9
Services Exports	77.8	76.9	77.1	76.1	73.9	66.3	69.4
Services Imports	58.4	56.4	56.9	56.5	54.1	45.8	46.8

US Trade Balance in B USD