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Foreign Trade of Lending Countries,
January-February, 1961

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Recent progress in the seasonal adjustment of international trade data provides a much better basis than was formerly available for analysis of cyclical movements and trends in international trade. The text of this article summarizes recent movements in the foreign trade of leading industrial countries,^{1/} and the accompanying charts show the movements of seasonally adjusted exports and imports over the past nine years. It will be seen from the charts that month-to-month irregularities in the series are substantial, so that movements in the latest month or two must be judged against a background of several months.

Expansion in world trade has been uneven over the past year, but the foreign trade of most leading industrial countries was higher at the beginning of 1961 than in the first half of 1960. For three of the largest trading nations -- the United States, Germany, and Canada -- and for all industrial countries combined, exports increased more than imports. United Kingdom exports and imports were both up by about the same amount. In contrast, exports of other industrial countries rose less than imports.

The trade surpluses of the United States and Germany were larger early this year than in the first half of 1960, and the Canadian trade deficit was smaller. U.S. imports in January-February were down 11 per cent, while exports were up 7 per cent; the trade surplus advanced to a level not previously equalled since the early postwar years, except in early 1957. Britain's trade deficit remained large, though not as large as in the second half of last year.

^{1/} For the purpose of this article, the list of "leading countries" comprises the nine countries that bulk largest in world trade -- the United States, the United Kingdom, Germany, France, Canada, Japan, the Netherlands, Belgium-Luxemburg, and Italy. These nine countries accounted for three-fifths of total world trade in 1959-60 (excluding trade of Sino-Soviet bloc countries). Seasonally adjusted monthly trade data are available through February for the U.S., U.K., Germany, France, the Netherlands, and Belgium-Luxemburg exports, and through January for the imports of Belgium-Luxemburg and the trade of Italy and Canada.

Seasonal adjustments for the U.S. are those of the Bureau of the Census, Department of Commerce. Seasonal adjustments for other countries are those used by the O.E.E.C., except as indicated in a note at the end of this article. Seasonal adjustments of the trade of Germany, France, the Netherlands, Belgium-Luxemburg and Italy were recently revised by the O.E.E.C., beginning with January 1958. The figures used in the text, table, and the charts at the end of this article reflect these revised seasonal adjustments.

Foreign Trade of Leading Countries
(Annual rates, seasonally adjusted)

Country	Exports, f.o.b.			Imports, c.i.f.(a)		
	Jan.-Feb. 1961 (\$ billions)	Per cent change from:		Jan.-Feb. 1961 (\$ billions)	Per cent change from:	
		IV Q. 1960 Average	1st half 1960		IV Q. 1960 Average	1st half 1960
U.S.	20.5	+ 2	+ 7	13.4(a)	- 2	- 11
U.K.	10.9	+ 6	+ 5	13.2	- 1	+ 4
Germany(c)	12.5	+ 5	+ 11	10.1	- 3	+ 1
France(c)	7.0	+ 4	+ 1	6.3	- 4	+ 4
Canada(b)(c)(d)	5.4	+ 3	+ 6	5.9(a)	+ 2	+ 3
Japan(c)	4.1	- 4	+ 6	5.3	+ 12	+ 23
Netherlands(c)	4.2	+ 4	+ 6	4.9	+ 5	+ 10
Belgium-Lux.(c)	3.4	- 9	- 9	3.8(b)	- 1	- 1
Italy(b)	3.6	- 1	- 1	4.7	- 2	+ 2

(a) U.S. and Canadian imports are f.o.b.

(b) December-January average.

(c) Data are preliminary for the trade of Canada for January, and for the trade of Germany, France, Japan, the Netherlands, and Belgium-Luxemburg exports for February.

(d) Figures in Canadian dollars.

Exports of the U.S., the U.K., Germany, Canada, Japan, and the Netherlands were up 5 to 11 per cent in the latest months available over the first six months of 1960. French and Italian exports were little changed. Belgium-Luxemburg exports, which showed sharp irregular movements from December through February due to strikes, were down 9 per cent in January-February from the first half of 1960.

Imports in the latest months available were higher than in the first six months of 1960 for all leading countries except the U.S. and Belgium-Luxemburg. Japanese imports in January-February were up almost one-fourth. Other increases were much smaller, 1 to 10 per cent. Belgium-Luxemburg imports in December-January, at least partly because of the effects of the strikes, were down slightly.

United States -- Exports shot up in February, while imports were unchanged. During the second half of 1960, exports had leveled off and

imports had declined sharply. Both had picked up slightly in January. January-February exports were 2 per cent higher, and imports 2 per cent lower, than in the fourth quarter of 1960. Thus, the trade surplus increased further to \$7.1 billion at an annual rate, a level not previously equalled since the early postwar years, except in early 1957.

Canada -- Imports fell off slightly in December and were unchanged in January (latest available). December-January imports were up about 1-1/2 per cent from the fourth-quarter average, and were up 3 per cent from the first half year to their highest level since 1957. Exports shot up in January to a new high after declining in the two previous months. December-January exports were 3 per cent above the fourth-quarter average and were 6 per cent above the low average of the first half of 1960.

United Kingdom -- Trade fell off somewhat in February, after advancing in January. There were sharp irregular movements of trade in the fourth quarter, particularly for exports, because of a London tally clerks' strike in October, but this probably did not affect the fourth-quarter average. January-February exports were up 6 per cent from the fourth quarter and 5 per cent from the first half of 1960. The two-month average of imports was down 1 per cent from the fourth quarter and up 4 per cent from the first half of 1960. The trade deficit diminished from a near-record annual rate of \$3.0 billion in the fourth quarter (exports, f.o.b., imports, c.i.f.) to about \$2.3 billion in January-February.

Germany -- Exports fell off in February after remaining at the advanced December level in January, while imports partially recovered from their January dip. January-February exports were up 5 per cent from the fourth quarter and were 11 per cent higher than in the first half of 1960. January-February imports were down 3 per cent from the fourth quarter and were up less than 1 per cent from the first six months of 1960. The trade surplus, at an annual rate of \$2.4 billion in January-February, exceeded the \$1.5 billion rate shown in the fourth quarter of 1960 and was substantially higher than the rate of surplus during 1958 and 1959.

France -- Trade moved up in February. Imports recovered after dropping markedly in January, perhaps because of changes in reporting procedures at the end of the year. Exports advanced further after picking up in January following a three-month decline. The January-February export average was up 4 per cent from the fourth quarter but only 1 per cent from the first half of 1960. January-February imports, on the other hand, were 4 per cent below the fourth-quarter average but 4 per cent higher than in the first half of 1960. The trade surplus, which had diminished throughout 1960 to \$0.2 billion at an annual rate in the fourth quarter of the year, improved to a \$0.7 billion rate in January-February.

Japan -- Imports continued to advance strongly in the first two months of 1961, while exports declined sharply in February after leveling off late last year. January-February exports were down 4 per cent from

the fourth quarter of 1960, and were up about 6 per cent from the first six months of 1960. January-February imports were up 12 per cent from the fourth quarter of 1960 and were nearly one-fourth higher than in the first half of 1960.

Netherlands -- Exports advanced strongly in February after a January dip, while February imports fell off slightly from the January peak. January-February exports were up 4 per cent from the fourth quarter and were up 6 per cent from the first half year. January-February imports were up 5 per cent from the fourth quarter and were one-tenth higher than in the first half of 1960.

Belgium-Luxemburg -- Trade in the last three months, December through February, showed sharp irregular movements due to the strikes which affected the ports and internal transportation of goods. Exports fell off sharply in December, and plunged further in January: February exports recovered to an all-time high. January-February exports were 9 per cent below both the fourth quarter and the first half of 1960. Imports fell off in December and picked up sharply in January (latest available). December-January imports were down 1 per cent from both the fourth quarter and the first half of 1960.

Italy -- Trade picked up in January (latest available) with imports rising particularly strongly after a two-month decline. December-January imports were down 2 per cent from the fourth quarter and were up 2 per cent from the first half year. Exports rose somewhat in both December and January after dipping down sharply in November: however, December-January exports were still 1 per cent below both the fourth quarter and the first six months of 1960.

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Sources of data -- All data have been put at annual rates by Federal Reserve.

United States: seasonally adjusted exports (excluding military) and general imports, as published by the Bureau of the Census, Department of Commerce.

Japan: unpublished seasonal adjustment by Federal Reserve of Japanese data. February 1961 data are preliminary.

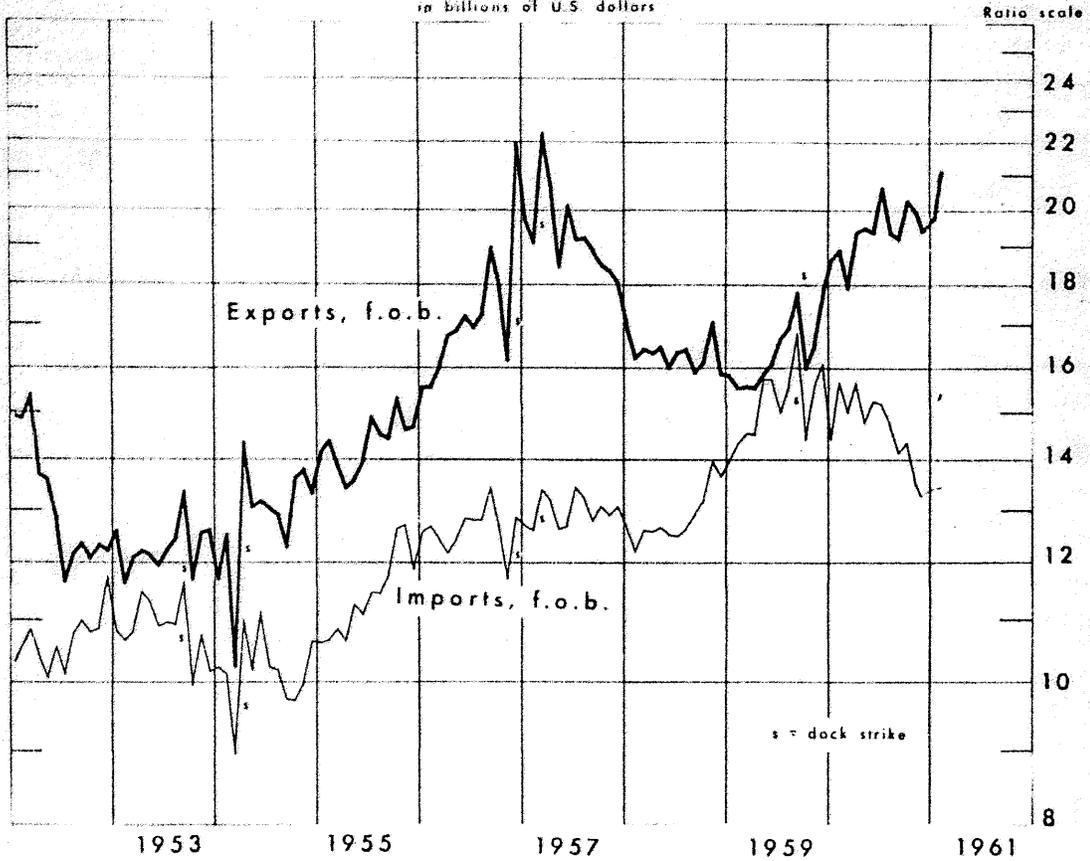
Canada: Dominion Bureau of Statistics seasonally adjusted value indexes converted to values (in Canadian dollars) by Federal Reserve. January 1961 data are preliminary.

United Kingdom: Board of Trade seasonally adjusted data, as published by the O.E.E.C. in U.S. dollars.

Germany, France, Netherlands, Belgium-Luxemburg and Italy: O.E.E.C.
seasonally adjusted data, recently revised beginning with January 1958.
February trade for Germany, France, the Netherlands and Belgium-Luxemburg
exports have been seasonally adjusted by Federal Reserve using 1961 O.E.E.C.
working day factors, and O.E.E.C seasonal factors for the previous years;
final O.E.E.C. figures may indicate small revisions.

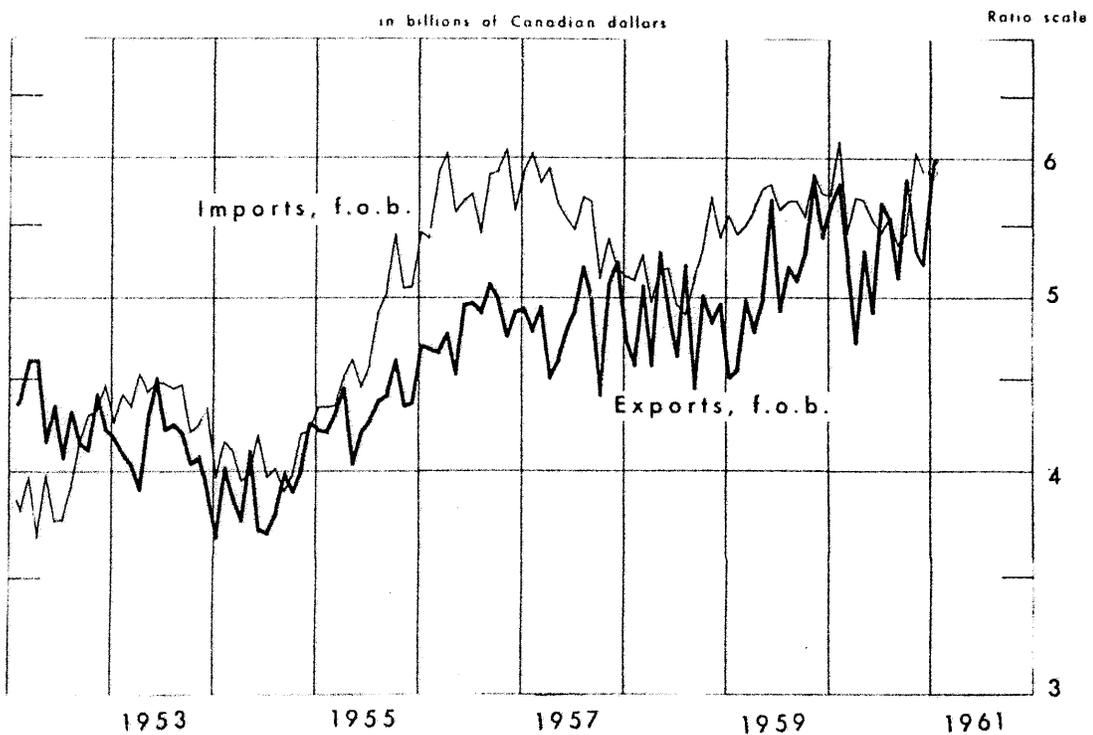
UNITED STATES — FOREIGN TRADE

Seasonally adjusted, monthly, at annual rates,
in billions of U.S. dollars



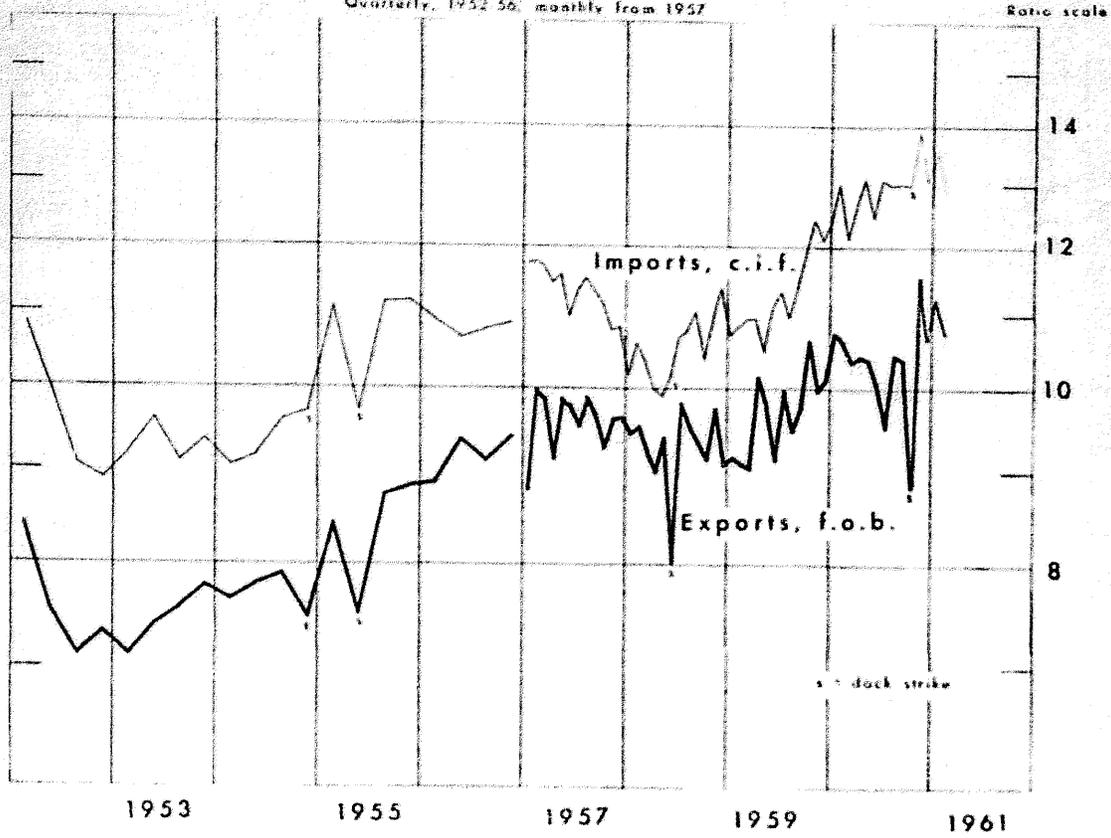
CANADA — FOREIGN TRADE

Seasonally adjusted, monthly, at annual rates,
in billions of Canadian dollars



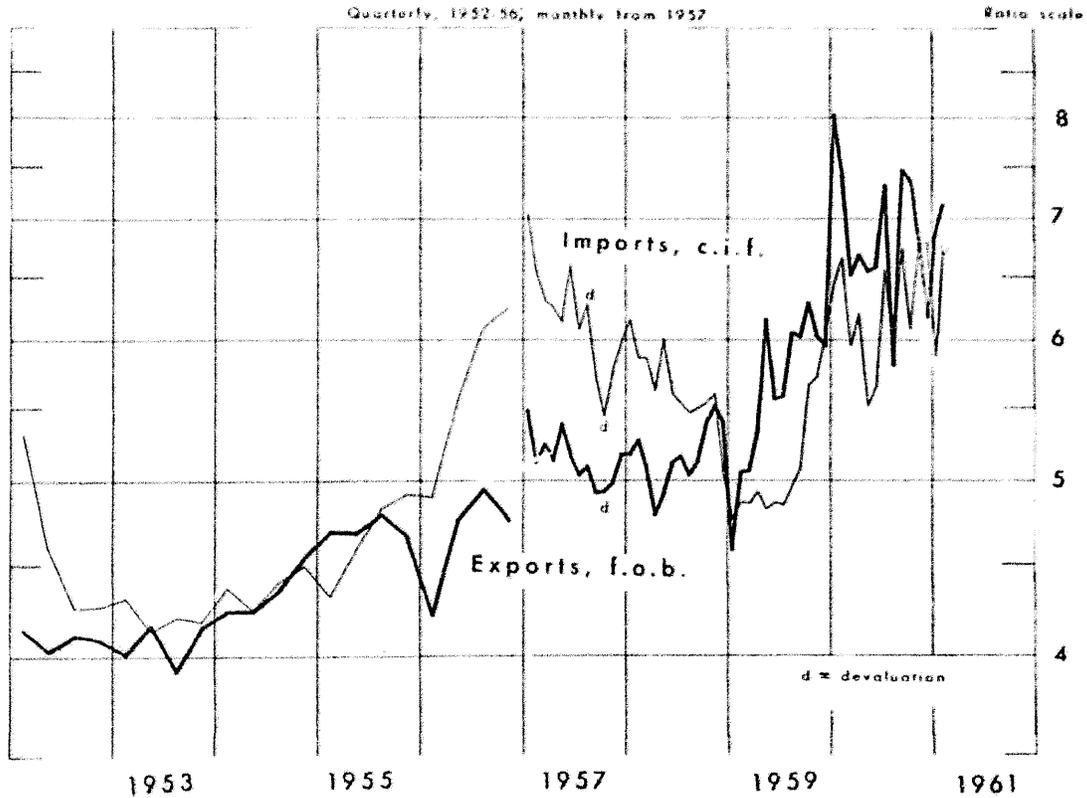
UNITED KINGDOM - FOREIGN TRADE

Seasonally adjusted annual rates, in billions of U.S. dollars
Quarterly, 1952-56; monthly from 1957



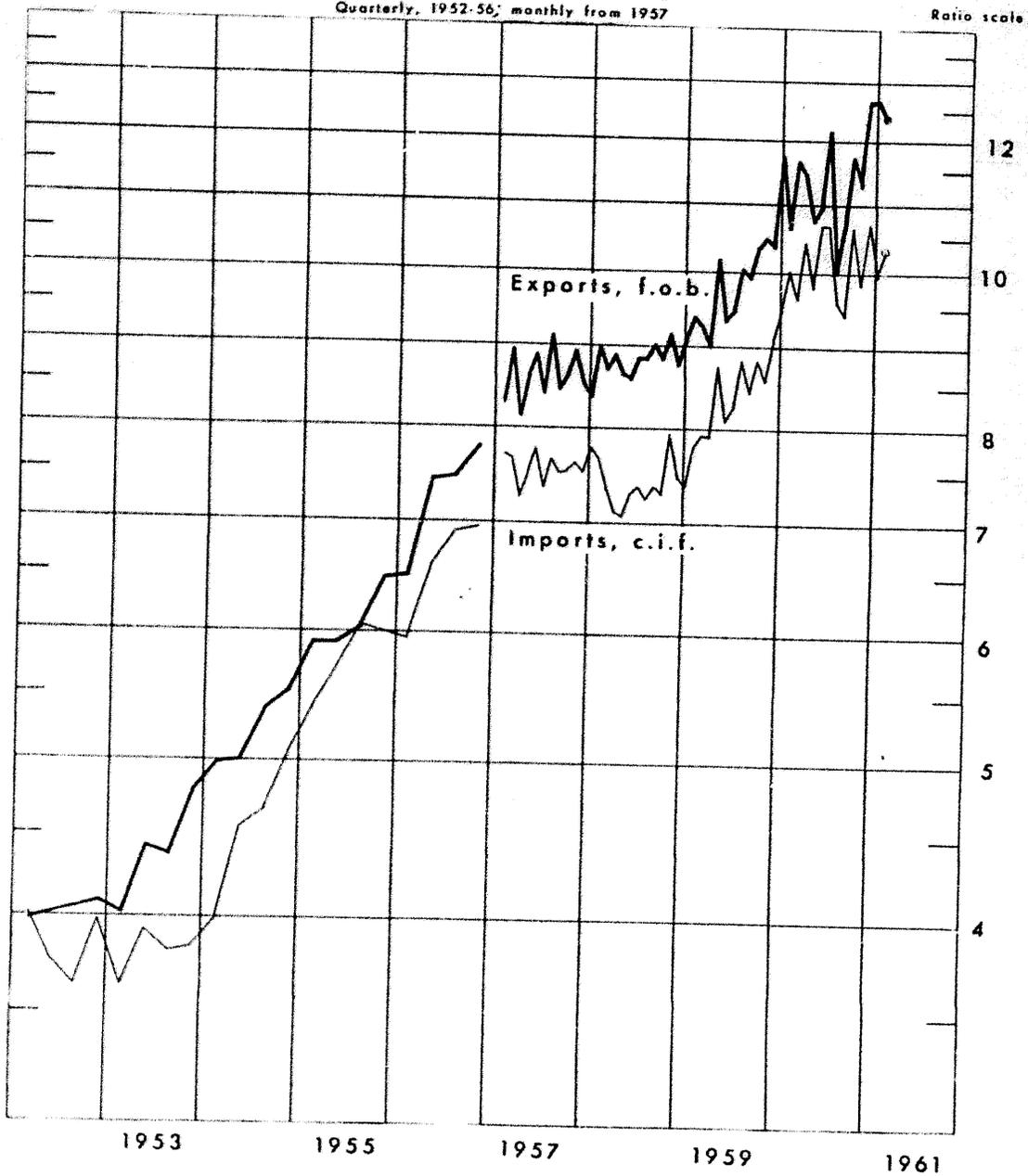
FRANCE - FOREIGN TRADE

Seasonally adjusted annual rates, in billions of U.S. dollars
Quarterly, 1952-56; monthly from 1957



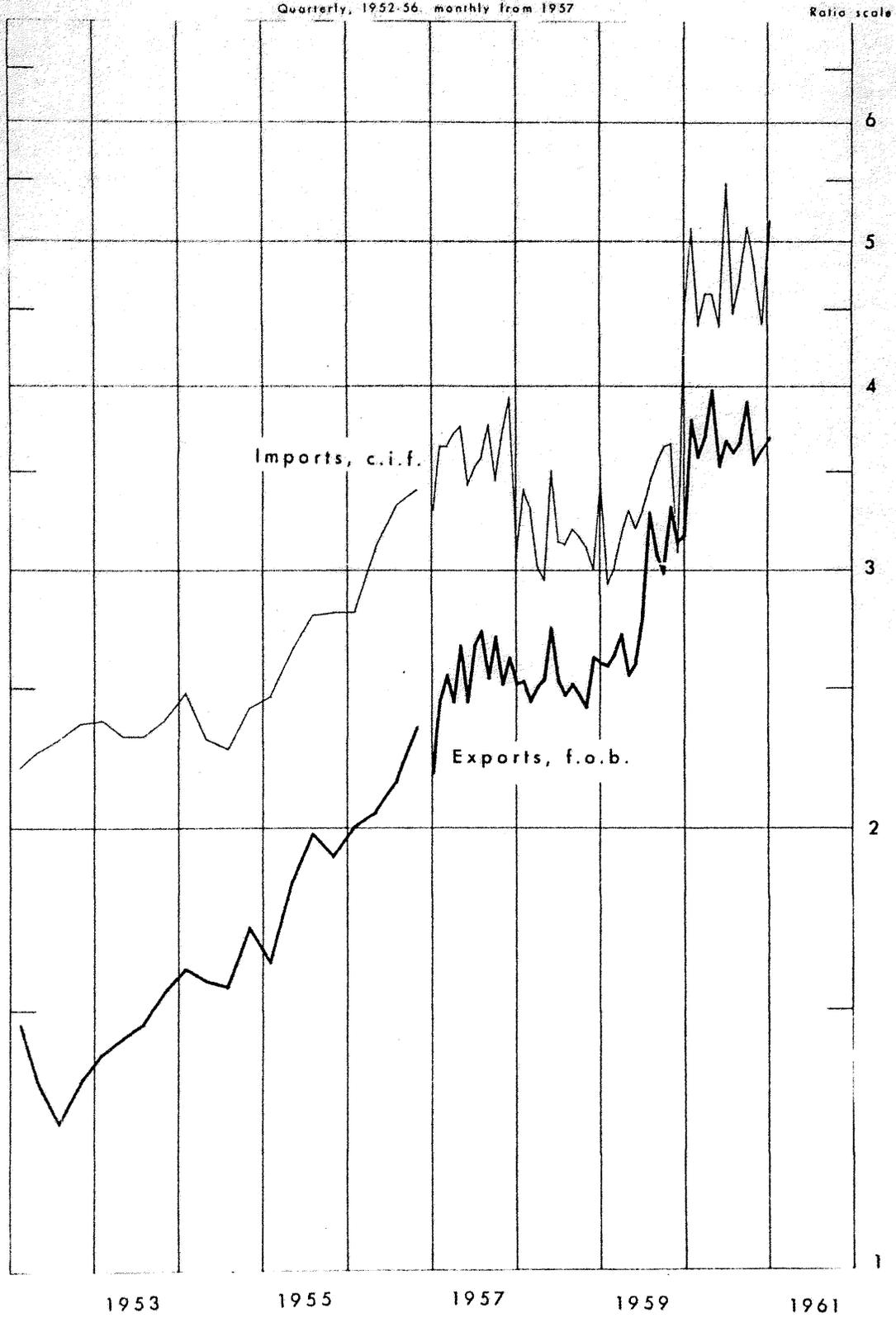
GERMANY - FOREIGN TRADE

Seasonally adjusted annual rates, in billions of U.S. dollars
Quarterly, 1952-56; monthly from 1957



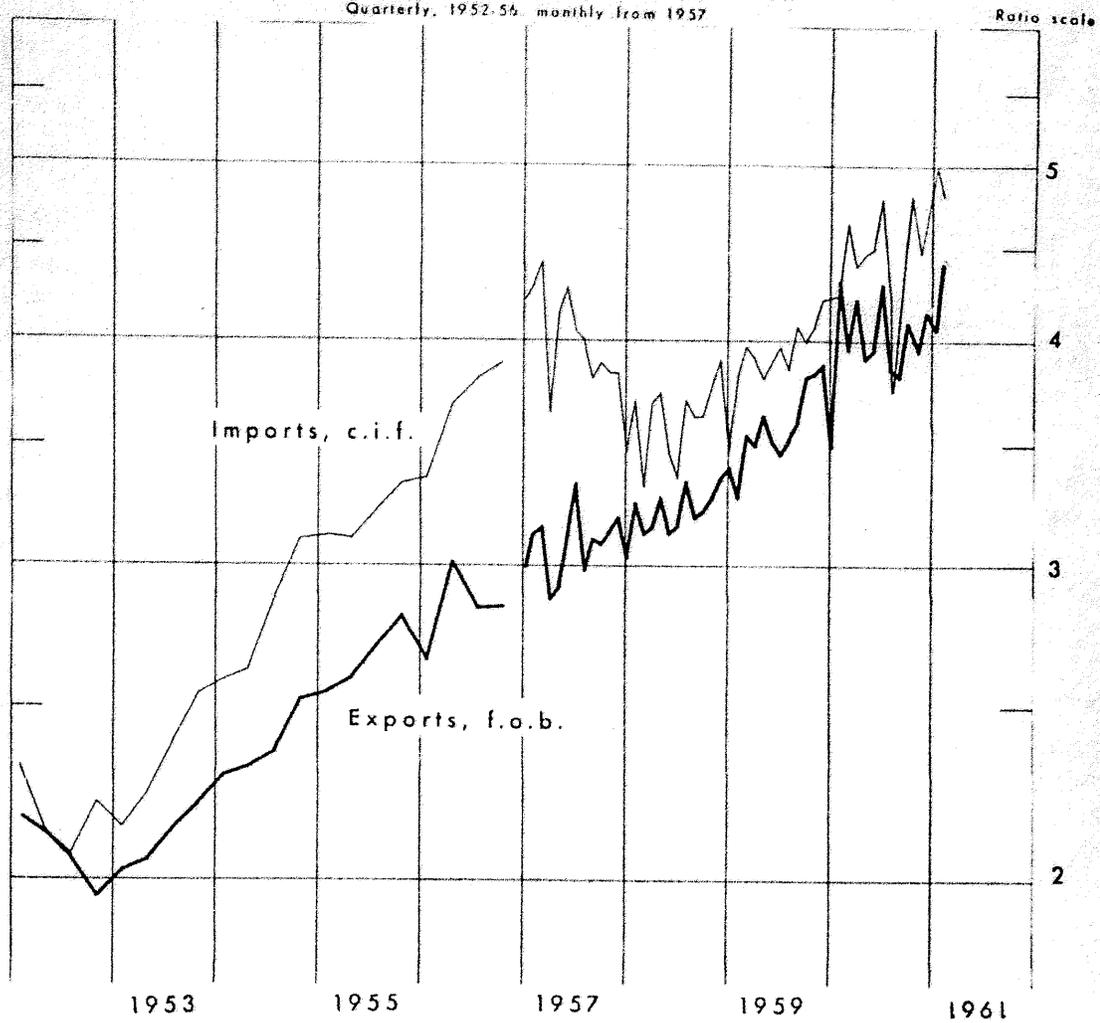
ITALY - FOREIGN TRADE

Seasonally adjusted annual rates, in billions of U.S. dollars
Quarterly, 1952-56, monthly from 1957



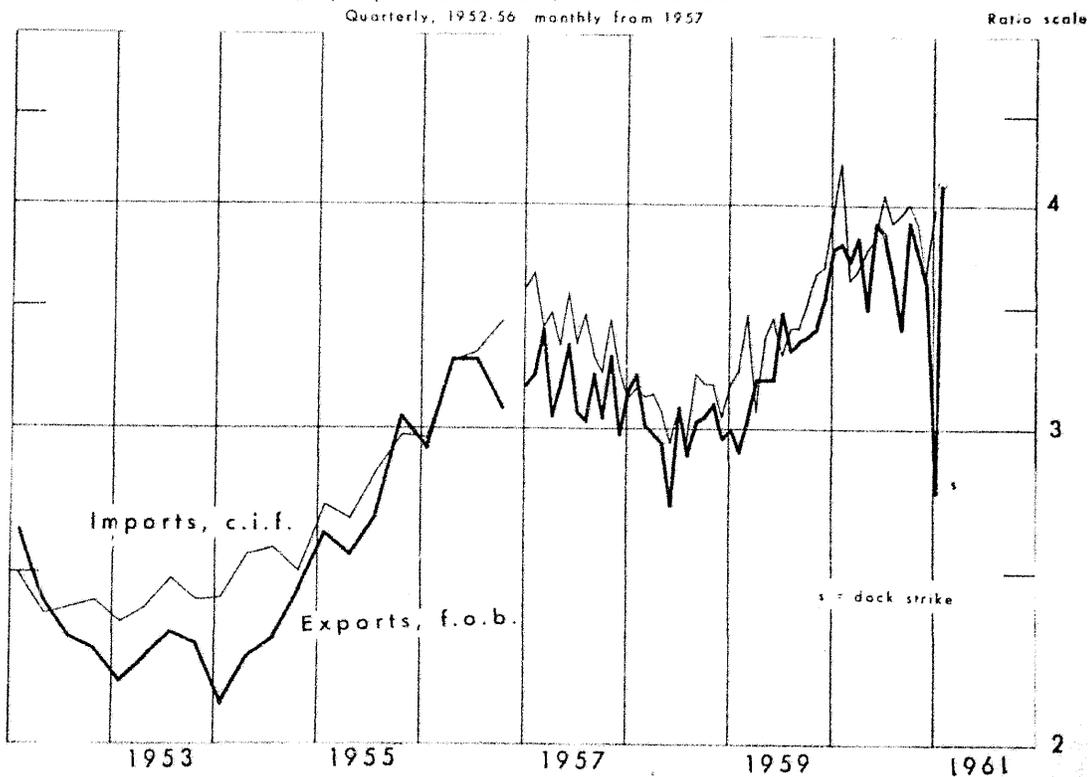
NETHERLANDS - FOREIGN TRADE

Seasonally adjusted annual rates, in billions of U.S. dollars
Quarterly, 1952-56; monthly from 1957



BELGIUM-LUXEMBURG - FOREIGN TRADE

Seasonally adjusted annual rates, in billions of U.S. dollars
Quarterly, 1952-56; monthly from 1957



JAPAN - FOREIGN TRADE

Seasonally adjusted, monthly, at annual rates.

in billions of U.S. dollars

Ratio scale

