



WEEKLY ECONOMIC DIGEST

JOINT ECONOMIC COMMITTEE

UNITED STATES CONGRESS

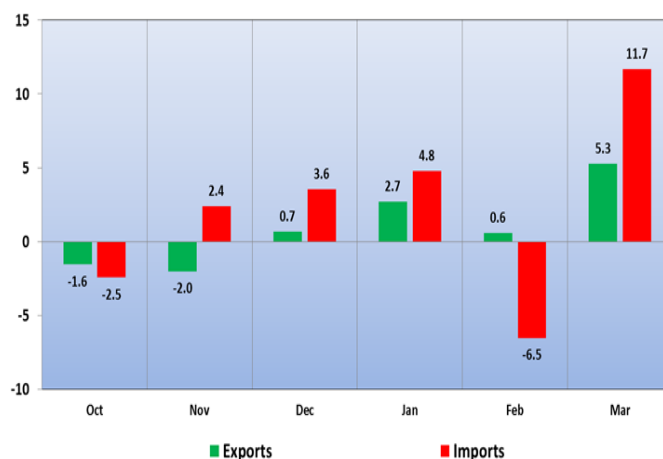
SENATOR ROBERT P. CASEY, JR., CHAIRMAN

May 15, 2012

The U.S. Trade Gap Widened in March

- Trade volumes rebounded and the U.S. trade deficit increased in March. Exports of goods and services increased by \$5.3 billion in March but imports increased by \$11.7 billion, according to data released by the Census Bureau (see top chart). As a result, the U.S. trade deficit for goods and services (imports minus exports) increased by \$6.4 billion to \$51.8 billion. Exports of goods increased by \$4.7 billion in March, reflecting increases in industrial supplies and materials (up \$2.4 billion); non-automotive capital goods (up \$1.2 billion); foods, feeds, and beverages (up \$0.5 billion); automotive vehicles, parts, and engines (up \$0.4 billion); consumer goods (up \$0.1 billion); and other exported goods (up \$0.4 billion). Imports of goods increased by \$11.3 billion in March, reflecting increases in non-automotive capital goods (up \$3.5 billion); consumer goods (up \$3.3 billion); industrial supplies and materials (up \$2.5 billion); automotive vehicles, parts, and engines (up \$1.2 billion); foods, feeds, and beverages (up \$0.2 billion); and other imported goods (up \$0.5 billion).
- Job openings and hires were little changed in March. There were 3.737 million job openings in the private and public sectors on the last business day of March, up somewhat from 3.565 million openings at the end of February. Total hires edged down to 4.356 million jobs at the end of March from 4.444 million at the end of February. The private-sector job vacancy rate was 2.9 percent of total private-sector jobs, filled or unfilled, in March (up from 2.8 percent in February). The private-sector hiring rate was 3.7 percent of total private-sector employment in March, essentially unchanged from February (see bottom chart).

Exports and Imports of Goods and Services, Recent Months
Month-to-month change in billions of dollars



SOURCE: Census Bureau, U.S. Department of Commerce.

Hiring Rate in Private Industry
Hires as a percent of private-sector employment, monthly through March 2012



SOURCE: Bureau of Labor Statistics, U.S. Department of Labor.

NOTE: Shaded regions mark periods of recession as determined by the National Bureau of Economic Research.

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THE WEEK AHEAD

DAY	SELECTED UPCOMING DATA RELEASES
Tuesday, May 15	Advance Monthly Sales for Retail and Food Services (April) Consumer Price Index (April) Manufacturing and Trade Inventories and Sales (March)
Wednesday, May 16	New Residential Construction (April) Industrial Production and Capacity Utilization (April) Minutes of Federal Open Market Committee Meetings, April 24-25

THE ECONOMY AT A GLANCE

KEY INDICATORS	MONTH			QUARTER			YEAR	
	Apr	Mar	Feb	2012Q1	2011Q4	2011Q3	2011	2010
<u>Economic Activity</u>								
Real gross domestic product	—	—	—	2.2	3.0	1.8	1.7	3.0
Manufacturing production	n.a.	-0.2	0.8	10.4	5.6	5.1	4.3	5.7
Factory utilization rate (percent of capacity)	n.a.	77.8	78.0	77.8	76.1	75.2	75.0	71.2
Civilian unemployment rate (percent of labor force)	8.1	8.2	8.3	8.2	8.7	9.1	8.9	9.6
Housing starts (thousands of units, annual rates)	n.a.	654	694	687	670	615	610	585
Light vehicle sales, domestic (millions of units, annual rates)	11.113	11.088	11.615	11.223	10.433	9.719	9.824	8.808
Retail & food service sales	n.a.	0.8	1.0	8.0	7.8	4.7	7.7	6.4
Real disposable personal income	n.a.	0.2	-0.1	0.4	1.7	0.7	1.3	1.8
Personal saving rate (percent of disposable income)	n.a.	3.8	3.7	3.9	4.5	4.6	4.7	5.3
<u>Inflation & Productivity</u>								
CPI-U inflation	n.a.	0.3	0.4	2.5	1.3	3.1	3.1	1.6
Core CPI-U inflation	n.a.	0.2	0.1	2.1	1.9	2.5	1.7	1.0
Output per hour, nonfarm bus.	—	—	—	-0.5	1.2	1.8	0.4	4.0
Unit labor costs, nonfarm bus.	—	—	—	2.0	2.7	3.9	2.0	-2.0
Employment Cost Index	—	—	—	1.7	2.1	1.4	2.0	1.9

Sources: Bureau of Economic Analysis, U.S. Department of Commerce; Bureau of the Census, U.S. Department of Commerce; and Bureau of Labor Statistics, U.S. Department of Labor.

Notes: Except where otherwise noted, values in the table represent simple percent changes for monthly data and percent changes at annual rates for quarterly data. Core CPI-U inflation is the percentage change in the CPI-U excluding food and energy prices as reported by the Bureau of Labor Statistics. The Employment Cost Index covers all civilian workers and the quarterly change is measured from the last month of the previous quarter to the last month of the indicated quarter. 'n.a.' denotes that data are not yet available. '—' denotes that data are not available monthly.