

CONFIDENTIAL (FR)  
CLASS II FOMC

OUTLOOK FOR U.S. NET EXPORTS AND RELATED ITEMS  
(BILLIONS OF DOLLARS, SEASONALLY ADJUSTED ANNUAL RATES)

December 16, 1981

	1980 ANN.	1981 <sup>P</sup> ANN.	1982 <sup>P</sup> ANN.	1981				1982 <sup>P</sup>			
				Q I	Q II	Q III	Q IV <sup>P</sup>	Q I	Q II	Q III	Q IV
1. GNP NET EXPORTS											
CURRENT \$, NET	23.3	23.0	15.9	29.2	20.8	22.0	20.0	21.3	18.0	13.4	10.9
EXPORTS OF G&S	339.8	364.4	363.5	367.4	368.2	364.1	357.8	354.8	358.7	366.0	374.5
IMPORTS OF G&S	316.5	341.4	347.6	338.2	347.5	342.1	337.8	333.5	340.6	352.7	363.6
CONSTANT 72 \$, NET	52.0	43.6	35.8	50.9	46.2	39.8	37.4	38.3	36.5	34.7	33.6
EXPORTS OF G&S	161.1	158.8	149.4	162.5	161.5	158.2	153.2	149.2	148.6	149.4	150.3
IMPORTS OF G&S	109.1	115.3	113.6	111.6	115.4	118.4	115.8	110.9	112.0	114.7	116.7
TERMS OF TRADE (1972=100) 1/	72.7	77.5	79.5	74.6	75.7	79.7	80.1	79.1	79.4	79.7	79.9
2. U.S. MERCHANDISE TRADE BALANCE 2/	-25.3	-25.7	-31.5	-18.7	-27.7	-28.2	-28.3	-24.9	-26.8	-34.2	-40.0
EXPORTS (EXCL. MILITARY)	224.0	238.0	235.4	244.4	241.9	232.5	233.1	234.9	234.4	235.1	237.3
AGRICULTURAL	42.2	44.8	48.1	50.9	44.3	40.2	44.0	46.8	47.4	48.4	50.0
NONAGRICULTURAL	181.7	193.1	187.3	193.5	197.6	192.4	189.1	188.1	187.0	186.7	187.3
IMPORTS	249.3	263.1	266.9	263.1	269.6	260.8	261.3	259.8	261.2	269.2	277.3
PETROLEUM AND PRODUCTS	78.9	77.9	70.2	83.3	84.8	71.8	71.7	70.4	70.4	69.9	70.1
NONPETROLEUM	170.4	185.8	196.7	179.8	184.8	189.0	189.7	189.4	190.9	199.3	207.3
3. U.S. CURRENT ACCOUNT BALANCE	3.7	5.0	-3.3	13.1	4.3	2.4 <sup>P</sup>	0.4	3.7	0	-6.3	-10.5
OF WHICH: NET INVESTMENT INCOME	32.8	35.7	34.8	36.2	34.6	36.3 <sup>P</sup>	35.9	35.3	33.3	34.3	36.4
4. FOREIGN OUTLOOK - TEN INDUSTRIAL COUNTRIES 3/											
REAL GNP, % CHANGE, ANNUAL RATES	1.8	0.4	1.5	0.5	0.6	0.4	0.8	1.8	2.0	2.4	2.5
CONSUMER PRICES, 4/, % CHANGE, ANNUAL RATES	10.5	9.6	8.8	10.8	10.8	8.1	8.9	9.1	9.0	8.2	7.7

1/ GNP EXPORT IMPLICIT DEFLATOR DIVIDED BY GNP IMPORT IMPLICIT DEFLATOR.

2/ INTERNATIONAL ACCOUNTS BASIS.

3/ GEOMETRIC WEIGHTS USED TO AGGREGATE FOREIGN REAL GNP AND CONSUMER PRICES -- PERCENT SHARE IN TEN-COUNTRY TOTAL MULTILATERAL TRADE. CANADA (9.1%), JAPAN (13.6%), UNITED KINGDOM (11.9%), GERMANY (20.8%), FRANCE (13.1%), ITALY (9.0%), BELGIUM (6.4%), THE NETHERLANDS (8.3%), SWITZERLAND (3.6%), SWEDEN (4.2%).

P/ PROJECTED.

December 16, 1981

## **RECENT DEVELOPMENTS**

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Prepared for the Federal Open Market Committee

By the staff of the Board of Governors of the Federal Reserve System