

high October-November average -- advanced by 2 per cent from the third quarter to an annual rate of \$30.2 billion (estimated balance of payments basis).

A further increase in imports of machinery and motor vehicles in the fourth quarter was offset by declines in imports of industrial materials, food and consumer goods other than autos. The decline in imports of industrial materials included a fall-off in imports of steel and petroleum which had bulged high in the third quarter; but imports of other materials (constituting 30 per cent of total imports) also fell in the fourth quarter after having levelled off in the third quarter. The fourth quarter decline in imports of consumer goods other than autos was rather small, but it followed a 25 per cent annual rate of growth in purchases of these goods between early 1965 and mid-1966.

Agricultural exports declined from the third to the fourth quarters, while non-agricultural exports rose. However, strength in

U.S. EXPORTS  
(billions of dollars, seasonally adjusted annual rates)

	<u>1965</u>	<u>1966</u>	<u>1966</u>		
			1st Half	3rd Qtr.	4th Qtr.
Agricultural	6.3	7.1	6.8	7.4	7.1
Non-agricultural, excl. military grant aid	<u>20.1</u>	<u>22.4</u>	<u>21.9</u>	<u>22.6</u>	<u>23.2</u>
Total, Census basis	26.4	29.5	28.7	30.0	30.3
Total, Balance of Payments basis	26.3	29.3 <sup>e/</sup>	28.6	29.8	30.2 <sup>e/</sup>

<sup>e/</sup> Estimate.