



Trade Deficit/Surplus

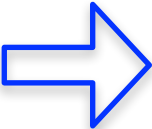
If **Exports** > Imports

The country has
a Trade Surplus




If Imports > Exports

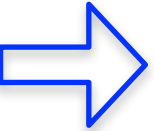
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$$\text{Deficit/Surplus} = \text{Exports} - \text{Imports}$$

Trade Deficit/Surplus

If **Exports** > Imports  The country has a Trade **Surplus**

If **Imports** > Exports  The country has a Trade **Deficit**

$$\text{Deficit/Surplus} = \text{Exports} - \text{Imports}$$

What determines Exports?