

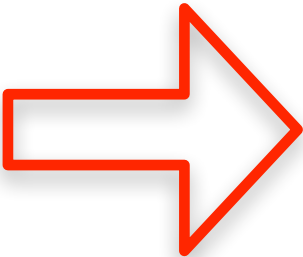




Trade Deficit/Surplus

If Exports > Imports

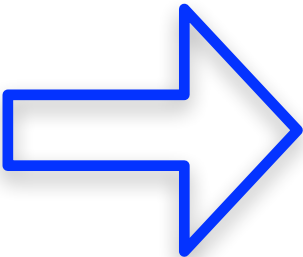
The country has  
a Trade Surplus



If Imports > Exports

The country has  
a Trade Deficit

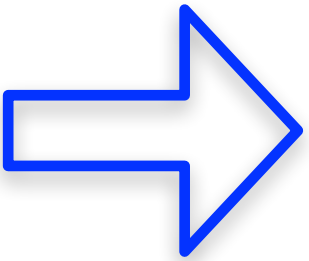




Deficit/Surplus = Exports - Imports

# 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?