

US trade gap narrowed in Jan by more than projected

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THE US TRADE deficit narrowed in January as exports increased, coming off of a turbulent year for domestic importers contending with erratic tariff policy.

The gap in goods and services trade shrank more than 25% from the prior month to \$54.5 billion, Commerce Department data showed Thursday. The median estimate in a Bloomberg survey of economists called for a \$66 billion deficit.

Exports increased 5.5% in January from the prior month, fueled by outbound shipments of nonmonetary gold and other precious metals, as well as computers and aircraft. Overall imports fell 0.7%, reflecting a decline in pharmaceuticals.



Trade flows last year were subject to large monthly swings as US importers reacted to a slew of tariff announcements from President Donald Trump.

His administration has attempted to use higher import duties as part of a policy aimed at reducing reliance on foreign goods, encouraging domestic investment and reversing decades of manufacturing decline.