

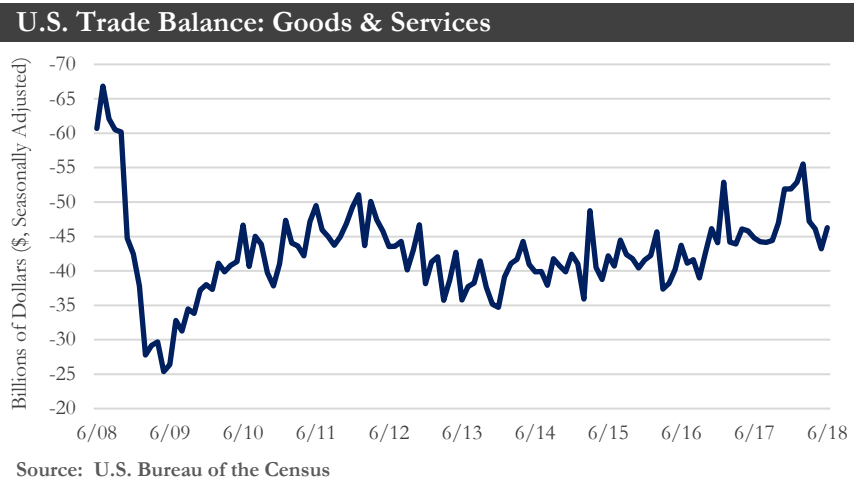
**CMC UPDATE: Trade Deficit Increases in June**  
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The U.S. trade deficit increased 7.3% in June, the fastest rate since November 2016, reflecting rising imports and falling exports. Exports fell 0.7% from May, while imports into the U.S. increased 0.6% on the month. Through the first half of the year, the trade deficit increased 7.2% from the same period a year earlier.

In June, imports of petroleum, as measured in dollars, rose to the highest level since December 2014. Before the June's overall increase, the trade gap had narrowed in March through May. That coincided with a renewed focus on trade policy from President Donald Trump. The unfolding trade dispute may have contributed to an out-of-season surge in soybean exports in the second quarter.

A low unemployment rate and modestly rising wages—signs of domestic strength—are giving U.S. consumers the ability to buy foreign products, which in turn is expanding the deficit.



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