



GLOBAL MANUFACTURING ECONOMIC UPDATE

September 15, 2016

Markit Purchasing Managers' Indices for the Top 15 Export Markets for U.S. Manufactured Goods (August 2016)



Manufacturers continue to become more internationally focused, with export sales being one of the larger growth drivers for many firms. Indeed, 58.3 percent of respondents to the latest National Association of Manufacturers (NAM) [Manufacturers' Outlook Survey](#) cited overseas sales as either somewhat or very important to their company's growth strategies, and another 15.7 percent reported that trade was helpful for their customers, even though their own company was not directly selling abroad. If you were to add those figures together, that would signify that 74.0 percent of manufacturers benefit directly or indirectly from trade with overseas markets as part of their growth strategy. Indeed, of those firms that export, the average percentage of total sales that come from exports was 14.9 percent, and in total, 39.3 percent of firms had export revenues that equaled 10 percent or more of their total sales. With that in mind, it should not be surprising that manufacturers were more upbeat about their company's outlook if they had higher expectations for export sales over the next 12 months.

Such data, of course, help to explain why global challenges have weighed so heavily on manufacturing business leaders' minds. The strong U.S. dollar and economic weaknesses to key markets have made it

much harder to increase exports. Using non-seasonally adjusted data, [U.S.-manufactured goods exports](#) totaled \$607.12 billion year-to-date in July, down 7.5 percent from \$656.46 billion from one year earlier. Moreover, exports were lower to the top six markets for U.S.-manufactured goods. In addition, 7 of the top 15 markets for U.S.-manufactured goods experienced expanding levels of growth in their manufacturing sectors in August, down from nine in July.

Of those top 15 markets, countries with the fastest growth in manufacturing activity in August included [Germany](#), the [Netherlands](#), the [United Kingdom](#), [Singapore](#) and [Taiwan](#). In contrast, many of the countries contracting in their latest PMI releases have been in negative territory for much of the past two years, including most notably [Brazil](#) and [France](#). Of course, a fair share of Brazil's problems have been political in nature, including the removal of President Dilma Rousseff in late August following impeachment proceedings in the spring. [Australia](#) and [South Korea](#) both slipped back into contraction in August on falling demand and output, and [Chinese](#) manufacturing activity stagnated following July's expansion, which had been the first positive reading since February 2013. Meanwhile, the manufacturing sector in the [United Kingdom](#) bounced back after plummeting in the last release post-Brexit.

Markit sentiment surveys mostly reflected a slight expansion globally in August, but with persistent challenges. The [J.P. Morgan Global Manufacturing PMI](#) decreased from 51.0 in July to 50.8 in August, easing a bit from its fastest pace since November. More importantly, the sector has now expanded for three straight months after stagnating in May. Beyond the headline number, many of the underlying data points were mixed. Growth in new orders slowed somewhat, but output and exports picked up marginally. At the same time, employment returned to negative territory in August, contracting in six of the past seven months. Activity in [Canada](#), the [Eurozone](#) and emerging markets also softened marginally in August, even as each continued to reflect slight expansions. In addition, [Mexican](#) manufacturing activity remained weaker than desired, even with a slight pickup in sentiment in the August data.

With Congress back in session, several pieces of trade legislation are top of mind, from legislation to ensure a fully functioning Export-Import (Ex-Im) Bank and provisions to liberalize some parts of trade with Cuba to the potential for a Trans-Pacific Partnership (TPP) implementation bill later this fall. The NAM is also following key developments from the implementation of the new Miscellaneous Tariff Bill (MTB) process this fall and the recent U.S.–India commercial dialogue and the G-20 meetings in China to negotiations of both an Environmental Goods Agreement (EGA) and the Transatlantic Trade and Investment Partnership (TTIP).

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Global Economic and Trade Trends

Manufacturing continued to slightly expand globally, but with persistent challenges.

The [J.P. Morgan Global Manufacturing PMI](#) decreased from 51.0 in July to 50.8 in August, easing a bit from its fastest pace since November. More importantly, the sector has now expanded for three straight months after stagnating in May. Beyond the headline number, many of the underlying data points were mixed. Growth in new orders (down from 51.4 to 51.0) slowed somewhat, but output (up from 52.0 to 52.1) and

exports (up from 50.2 to 50.6) picked up marginally. At the same time, employment (down from 50.3 to 49.6) returned to negative territory in August, contracting in six of the past seven months.

While the overall measure has recorded some progress worldwide, key markets that we sell into had notable weaknesses. In August, 7 of the top 15 markets for U.S.-manufactured goods experienced expanding levels of growth in their manufacturing sectors, down from 9 in July. [Australia](#) (down from 56.4 to 46.9) and [South Korea](#) (down from 50.1 to 48.6) both slipped back into contraction in August on falling demand and output, and [Chinese manufacturing activity](#) (down from 50.6 to 50.0) stagnated following July's expansion, which had been the first positive reading since February 2013. Meanwhile, the manufacturing sector in the [United Kingdom](#) (up from 48.3 to 53.3) bounced back after plummeting in the last release, post-Brexit.

Of those top 15 markets, countries with the fastest growth in manufacturing activity in August included [Germany](#) (down from 53.8 to 53.6), the [Netherlands](#) (up from 53.2 to 53.5), the [United Kingdom](#) (up from 48.3 to 53.3), [Singapore](#) (up from 50.7 to 52.3) and [Taiwan](#) (up from 51.0 to 51.8). In contrast, many of the countries contracting in their latest PMI releases have been in negative territory for much of the past two years, including, most notably, [Brazil](#) (down from 46.0 to 45.7) and [France](#) (down from 48.6 to 48.3). Of course, a fair share of Brazil's problems have been political in nature, including the removal of President Dilma Rousseff in late August following impeachment proceedings in the spring.

British manufacturers recovered in August, but Eurozone activity eased slightly.

The [Markit Eurozone Manufacturing PMI](#) decreased from 52.0 to 51.7, a three-month low. New orders (down from 52.2 to 51.4), exports (down from 52.4 to 51.9), output (down from 53.9 to 53.3) and employment (down from 52.3 to 51.1) all softened in August, even as each continued to expand somewhat modestly. The easing took place despite rebounding activity in the [United Kingdom](#) (up from 48.3 to 53.3), as noted earlier, with progress also seen in [Greece](#) (up from 48.7 to 50.4), [Ireland](#) (up from 50.2 to 51.7) and the [Netherlands](#) (up from 53.2 to 53.5). Among those nations pulling the headline number lower were [Austria](#) (down from 53.4 to 52.1), [Germany](#) (down from 53.8 to 53.6) and [Spain](#) (unchanged at 51.0), with the latter having the weakest production growth since November 2013. In addition, [Italy](#) (down from 51.2 to 49.8) contracted, albeit barely, in August for the first time since January 2015, with [France](#) (down from 48.6 to 48.3) contracting for the sixth consecutive month.

Eurozone [real GDP](#) grew 0.3 percent in the second quarter, decelerating a bit from 0.5 percent growth in the first quarter. On a year-over-year basis, the Eurozone economy has grown 1.6 percent, off from 1.7 percent in the first quarter. More disappointingly, [industrial production](#) fell 1.1 percent in July, with output in the sector down 0.5 percent over the past 12 months. Nonetheless, [retail sales](#) increased by 1.1 percent in July, rebounding from the 0.1 percent decline seen in June, which was encouraging. The [unemployment rate](#) was 10.1 percent for the fourth straight month, holding steady at its lowest level since July 2011.

Growth in Chinese manufacturing activity remained flat in August.

The [Caixin China General Manufacturing PMI](#) edged down from 50.6 in July to 50.0 in August. Although disappointing, particularly after it expanded in July for the first time since February 2015, the neutral reading continues to represent some progress from earlier contractions. In this latest release, new orders (down from 51.2 to 50.6) and output (down from 52.1 to 51.6) decelerated but remained slightly positive. The drags on the headline number came from exports (down from 49.5 to 49.3) and employment (up from 46.9 to 47.1). Hiring has now contracted for 34 straight months.

Meanwhile, the [official manufacturing PMI](#) data from the National Bureau of Statistics of China rose from 49.9 to 50.4, expanding ever so briefly for the first time in three months, led by a pickup among larger enterprises. Small and medium-sized manufacturers continued to struggle, albeit with some easing in the rate of decline for the smallest firms.

[Real GDP](#) increased 6.7 percent year-over-year in the second quarter, mirroring the rate in the first quarter. My forecast is for real GDP to expand 6.5 percent, using official estimates, for 2016 as a whole, with 6.0 percent growth seen for 2017. In August, [industrial production](#) grew 6.3 percent year-over-year, up from 6.0 percent in July but down from 6.8 percent in March. As such, the data were somewhat stronger than

anticipated, even as the longer-term trend of deceleration continues. This mirrors a similar story for [retail sales](#) (up from 10.1 percent year-over-year in July to 10.6 percent in August), with [fixed asset investment](#) (unchanged at 8.1 percent year-over-year) stable for the month.

Manufacturing in the emerging markets also slowed to a crawl, mirroring the data from China.

The Markit Emerging Markets Manufacturing Index declined from 50.4 to 50.1. Despite the pullback in activity, it marked the second consecutive month with expanding levels of new orders (down from 50.9 to 50.5) and output (down from 51.6 to 51.1). Still, the news was mostly mixed, with some progress but ongoing challenges. July's reading had been the highest since February 2015, and the August headline number marks only the third expansion seen in the past 17 months. At the same time, exports (up from 49.5 to 49.7) and employment (up from 48.2 to 48.4) continued to contract, but at a slower rate of decline for the month. The forward-looking composite index for future output (down from 60.4 to 58.9) decelerated to its lowest level since January but continued to signal cautious optimism for the months ahead.

The country-by-country data were also mixed. A number of markets showed relative strength in their manufacturing sectors in August, including [India](#) (up from 51.8 to 52.6), [Kenya](#) (up from 53.3 to 53.5), [Philippines](#) (down from 56.3 to 55.3), [Poland](#) (up from 50.3 to 51.5), [Saudi Arabia](#) (up from 56.0 to 56.6), [Taiwan](#) (up from 51.0 to 51.8), the [United Arab Emirates](#) (down from 55.3 to 54.7) and [Vietnam](#) (up from 51.9 to 52.2). In addition, there was stabilization in the sector for the month in the [Czech Republic](#) (up from 49.3 to 50.1), [Indonesia](#) (up from 48.4 to 50.4) and [Russia](#) (up from 49.5 to 50.8), with somewhat neutral growth in August in both [China](#) (down from 50.6 to 50.0) and [South Africa](#) (down from 49.9 to 49.8).

At the other end of the spectrum, several nations remained mired in contraction territory. Those countries included [Brazil](#) (down from 46.0 to 45.7), [Egypt](#) (down from 48.9 to 47.0), [Hong Kong](#) (up from 47.2 to 49.0), [Lebanon](#) (down from 45.5 to 45.0), [Malaysia](#) (down from 48.1 to 47.4), [Myanmar](#) (down from 49.2 to 47.2), [Nigeria](#) (down from 48.8 to 46.3), [South Korea](#) (down from 50.1 to 48.6) and [Turkey](#) (down from 47.6 to 47.0). The latter was likely pulled lower in August following the attempted coup against President Recep Tayyip Erdoğan.

Canada manufacturing expanded at its slowest rate in six months.

The [Markit Canadian Manufacturing PMI](#) edged down from 51.9 in July to 51.1 in August, the lowest level since contracting in February (49.4). New orders (down from 51.5 to 50.5), output (down from 52.0 to 51.1) and employment (down from 52.4 to 50.9) decelerated in August, but the pace of decline for exports (up from 48.4 to 49.4) eased. It marks the third time in the past four months that export sales decreased—perhaps surprising given the relative softness of the Canadian dollar. Activity slowed across all regions of the country, including Ontario (down from 52.9 to 52.0), Quebec (down from 52.0 to 50.4) and the rest of Canada (down from 55.1 to 52.8). At the same time, manufacturers in Alberta and British Columbia continued to struggle (up from 48.8 to 49.2), albeit with some easing.

Economic data tend to support the weaker sentiment surveys. [Real GDP](#) declined by 1.6 percent at the annual rate in the second quarter, its first decrease in four quarters and down from an increase of 2.5 percent in the first quarter. Consumption was a bright spot, but exports and business investment both dragged down second quarter growth. The [industrial capacity utilization rate](#) dropped from 81.4 percent in the first quarter to 80.0 percent in the second quarter. On a year-over-year basis, capacity utilization edged down 0.2 percent. At the same time, [retail sales](#) were down 0.1 percent in June after remaining unchanged in May, suggesting consumers might be holding back somewhat. Meanwhile, the labor market data were mixed. The [unemployment rate](#) inched up from 6.9 percent in July to 7.0 percent in August, but manufacturers [added](#) 2,900 net new workers for the month. Since August 2015, however, the sector has lost 17,300 employees.

Mexican manufacturing activity remained weaker than desired.

The [Markit Mexico Manufacturing PMI](#) increased from 50.6 in July to 50.9 in August, although both figures were the lowest since October 2013. Output (down from 50.1 to 49.8) was the real drag on the headline number, slightly contracting for the second time in the past three months. On the other hand, new orders (up

from 51.0 to 52.6) and employment (up from 50.6 to 51.2) accelerated in August, with exports (up from 47.2 to 50.8) rebounding into positive territory.

[Real GDP](#) increased 2.5 percent year-over-year in the second quarter, up from 2.4 percent in the first quarter. Growth in Mexico is expected to remain around 2.3 percent in 2016, picking up to 2.6 percent in 2017. Meanwhile, Mexican [industrial production](#) decreased by 1.0 percent year-over-year in July, ending three months of gains, with output in the manufacturing sector off by 0.2 percent over the past 12 months.

U.S.-manufactured goods exports continue to struggle.

Using non-seasonally adjusted data, [U.S.-manufactured goods exports](#) totaled \$607.12 billion year-to-date in July, down 7.5 percent from \$656.46 billion in July 2015.

Moreover, exports declined to the top six markets for U.S.-manufactured goods, including Canada (down from \$166.72 billion to \$154.84 billion), Mexico (down from \$138.17 billion to \$131.92 billion), China (down from \$65.33 billion to \$60.38 billion), Japan (down from \$37.42 billion to \$35.32 billion), the United Kingdom (down from \$32.80 billion to \$32.22 billion) and Germany (down from \$28.94 billion to \$28.36 billion).

The U.S. trade deficit narrowed to a three-month low.

The [trade deficit](#) narrowed to a three-month low, down from \$44.66 billion in June to \$39.47 billion in July. The data have been quite volatile year-to-date, averaging \$41.42 billion through the first seven months of 2016. That was somewhat lower than the \$41.70 billion average for 2015 as a whole. The reduced deficit in July stemmed from an increase in goods exports (up from \$120.61 billion to \$124.05 billion) and lower goods imports (down from \$186.24 billion to \$184.39 billion). Petroleum trade also helped, narrowing from \$5.32 billion to \$4.98 billion. The service-sector trade surplus was off marginally, down from \$20.98 billion to \$20.87 billion.

Looking more closely at the underlying data, goods exports were mostly higher in July. There were increased exports observed for foods, feeds and beverages (up \$3.73 billion, mainly from soybeans), industrial supplies and materials (up \$445 million) and automotive vehicles and parts (up \$365 million). At the same time, capital goods (down \$226 million) and consumer goods (down \$15 million) exports shrank. Meanwhile, goods imports declined for consumer goods (down \$1.49 billion), capital goods (down \$722 million) and automotive vehicles and parts (down \$67 million) but ticked up for both industrial supplies and materials (up \$388 million) and foods, feeds and beverages (up \$201 million).

International Trade Policy Trends

The NAM urges action in continuing resolution to ensure a fully functioning Ex-Im Bank.

The Ex-Im Bank remains closed for certain transactions, undermining the ability of U.S. exporters and their supply chains to compete and win in a tough global marketplace. According to [The New York Times](#), more than 30 transactions worth more than \$20 billion to American businesses are stuck in the pipeline until the agency regains its ability to operate fully. In addition to its ongoing work with individual congressional offices and business partners to raise the importance and need for immediate action on this issue, the NAM has spearheaded additional work over the past week:

- On September 8, NAM President and CEO Jay Timmons and U.S. Chamber of Commerce President and CEO Thomas J. Donohue issued [this statement](#) urging Congress to include in the continuing resolution a provision approved by both the [House](#) and [Senate](#) Appropriations committees in July to adjust the quorum requirement.
- On September 12, the NAM worked with its partners in the business community to issue [this letter](#) to leaders on Capitol Hill [urging the inclusion](#) of this provision in the continuing resolution.

Visit www.nam.org/exim to learn more or www.exportersforexim.org to contact your senator. To learn more about the NAM's advocacy efforts on this issue, contact NAM Vice President of International Economic Affairs [Linda Dempsey](#).

The NAM submits comments on new MTB process expected to launch October 14.

On August 12, the NAM [submitted](#) comments to the U.S. International Trade Commission (USITC) on its proposed Miscellaneous Tariff Bill (MTB) Petition System forms, the [Information for Petitions](#) and [Information for Comments](#). The USITC will issue final forms before it initiates the MTB process on October 14. The USITC also launched its new [MTB Information Page](#), which includes a list of new documents and news releases, [MTB FAQs](#) and an [e-mail subscription](#) service for the public to receive [updates on the MTB](#). Once the new MTB process formally begins, companies will be strongly encouraged to submit petitions as soon as possible to ensure that requests are given full consideration by the USITC. To participate in the NAM's MTB Task Force and for more information on the new USITC process, contact NAM Director of International Trade Policy [Ken Monahan](#).

NAM voices strong opposition to new U.N. panel report challenging innovative manufacturing.

The NAM strongly criticized a deeply flawed [report released this week by a U.N. panel](#) that would undermine American innovation and manufacturing, while at the same time failing to put forward effective solutions to the real global health challenges it claims to address. NAM [President and CEO Jay Timmons](#) warned that the report could set a "dangerous precedent that could threaten manufacturers of all types and the good-paying jobs they provide." NAM [Vice President of International Economic Affairs Linda Dempsey](#) followed up with a blog post detailing many of the anti-manufacturing and innovation recommendations contained in the report. Set up by the U.N. secretary-general in November 2015 to focus on intellectual property and health access, the report failed to examine or recommend answers to the actual problems limiting access around the world. The report contains a number of troublesome recommendations, such as efforts to shred the global R&D model through "de-linking" R&D costs from product prices, bans on U.S.-style trade agreements that seek to protect innovative manufacturing and channels designed to force countries to issue compulsory licenses and limit new patents. All of these measures should be of concern to manufacturers beyond just the health sector, as the arguments for such limitations on innovation can easily be applied to other areas of innovative manufacturing—and already have been attempted in fields such as environmental technologies. For more on the NAM's work on international intellectual property issues, contact NAM Director of International Business Policy [Ryan Ong](#).

TPP consideration faces continued challenges.

Discussions between the Obama administration and members of the Senate Finance and House Ways and Means committees continue, but have yet to produce a resolution to outstanding issues, beyond the earlier progress on the financial services data flow issues. On August 18, the administration [sent](#) to Congress a draft Statement of Administrative Action (SAA) on the TPP. The draft SAA is a prerequisite for sending up the final SAA, Trans-Pacific Partnership (TPP) approval and implementing legislation, but the draft does not start the formal clock for congressional consideration of the agreement under Trade Promotion Authority. On August 25, Senate Majority Leader Mitch McConnell (R-KY) [said](#) at a Kentucky State Farm Bureau breakfast that "[t]he current agreement, the Trans-Pacific [Partnership], which has some serious flaws, will not be acted upon this year." On September 8, House Speaker Paul Ryan (R-WI) [said](#) that "we don't have the votes right now" to pass the TPP, "that [the administration has] to fix it," and that "if you bring it up, it's going to go down." NAM Vice President of International Economic Affairs Linda Dempsey [emphasized to CNN](#) that "additional leadership is needed in Washington to forge a viable path forward [for the TPP]," while also explaining how the NAM and member companies are bringing home the message on the agreement's importance. To learn more, or to join the NAM's advocacy efforts on TPP, contact NAM Director of International Trade Policy [Ken Monahan](#).

EU leaders to huddle on TTIP amid member state criticism.

In recent weeks, some EU member state government officials have expressed pointed concerns about the U.S.–EU Transatlantic Trade and Investment Partnership (TTIP) negotiations, with German Economy

Minister Sigmar Gabriel [declaring](#) on August 29 that “the negotiations with the United States have de facto failed,” and French Secretary of State for Foreign Trade Matthias Fekl [saying](#) that “there is no more political support in France for these negotiations.” These statements come in advance of a pivotal September 23 meeting in Bratislava, Slovakia, where the European Council will consider the future of the TTIP negotiations. France is expected to call for an end of the TTIP negotiations, but Germany (as Chancellor Angela Merkel continues to strongly support TTIP) and other member states are expected to reaffirm their commitment to the talks, though it is highly unlikely that they will reach a comprehensive agreement this year. While not officially announced, reports indicate that the next round of negotiations will likely be scheduled for the first week of October in New York City, and the NAM continues to emphasize the importance of comprehensive, high-standard and market-opening outcomes on all key issues, rather than a TTIP deal that cuts corners. U.S. Trade Representative Michael Froman will meet today with EU Trade Commissioner Cecilia Malmström. For more information on the NAM’s TTIP advocacy efforts, contact NAM Director of International Trade Policy [Ken Monahan](#).

United States and India conclude New Delhi dialogue with little new progress on commercial issues.

Senior U.S. and Indian government officials [wrapped up](#) three days of talks in New Delhi on August 31 with little concrete progress on commercial issues. The outcomes of this year’s Strategic & Commercial Dialogue (S&CD) were dominated by strategic issues, particularly defense, energy and regional cooperation outcomes, such as a newly signed [joint cyber framework](#) and climate change financing and research. In advance of the S&CD, [the NAM](#) and other U.S. stakeholders had urged both governments to use the S&CD and the pending October Trade Policy Forum (TPF) to show real concrete progress on priority commercial issues, such as tariffs and trade facilitation. Little of that progress, however, factored into the S&CD: though commercial issues, such as innovation and the ease of doing business, were actively discussed, outcomes generally focused either on more dialogues, such as establishing commercial webinars on India’s business environment, or on rehashing steps already taken outside of the dialogue, such as establishment of a single-window customs clearance system or Parliament’s passage of a bill to authorize creation of a unified Goods and Services Tax. The S&CD is an annual dialogue hosted by the U.S. Secretaries of State and Commerce, along with the Indian Ministers of External Affairs and Commerce and Industry, with separate channels to engage on commercial and strategic issues. The lack of S&CD progress only makes the TPF that much more important for manufacturers in the United States, and the NAM will continue to monitor and advocate for members. For more on the NAM’s work on India, contact NAM Director of International Business Policy [Ryan Ong](#).

U.S. resumes direct flights to Cuba, as Congress prepares for potential consideration of legislation.

After more than 50 years, the first U.S. flight to Cuba (between Fort Lauderdale, Fla., and Santa Clara, Cuba) took place on August 31. That same day, the U.S. Department of Transportation issued a [final order](#) to authorize and allocate flights by eight carriers to Havana. This new arrangement will facilitate visits for travelers that fall under [1 of 12 categories](#) currently authorized. Flights that have been [authorized](#) direct to Havana will begin later this fall after approval and arrangements have been completed with the Cuban government. Legislation was introduced in both the [House](#) and Senate that seeks to curtail such flights until a study on Cuba’s airport security is completed; the House Committee on Homeland Security approved that legislation (H.R. 5728) by unanimous consent earlier this week. Also this week, the House Committee on Agriculture held a [hearing](#) on September 14 on “American Agricultural Trade with Cuba,” to explore how to expand U.S. agricultural trade if credit financing were authorized for Cuba. Congressman Rick Crawford (R-AR) is [still seeking to move](#) a modified version of [H.R. 3687](#) that would permit private-sector financing of agricultural commodity exports to Cuba. Several Cuba-related amendments were [approved](#) during the Senate Appropriations Committee [markup](#) of the FY17 Financial Services and General Government Appropriations Act. The NAM [supports](#) these provisions, which may be included in a final spending package. To learn more about the NAM’s efforts to facilitate trade and travel with Cuba, visit the NAM’s [website](#) or contact NAM Vice President of International Economic Affairs [Linda Dempsey](#).

EGA talks to intensify this fall.

At the annual G20 Leaders’ Summit in Hangzhou, China, countries negotiating the WTO Environmental Goods Agreement (EGA) [welcomed](#) a so-called “landing zone” achieved in the EGA negotiations, which

includes more than 300 environmental goods and technologies, and the countries reaffirmed their aim to “redouble efforts to bridge remaining gaps and conclude an ambitious, future-oriented EGA that seeks to eliminate tariffs on a broad range of environmental goods by the end of 2016.” The NAM was active in pushing this action, including through joining more than 40 global associations in a July [letter](#) urging China to work toward concluding a robust EGA. The 16th round of EGA negotiations will take place the week of September 19, in Geneva, Switzerland, where discussions will continue on the products nominated for duty-free treatment by the United States and other countries. Discussions will further intensify in the coming months as all sides seek to reach an agreement by the end of this year. For more information on the NAM’s role as co-chair of the U.S.-based Coalition for Green Trade, contact NAM Director of International Trade Policy [Ken Monahan](#).

G20 Summit wraps up in China with calls for progress on trade facilitation, global trade and investment and small business opportunities.

Nearly 30 world leaders assembled in Hangzhou, China, on September 4 and 5 for the 11th [annual G20 Leaders’ Summit](#), releasing a high-level communique that covers a range of economic and geostrategic issues—including support for international trade and investment, opposition to protectionism and steps toward progress on key trade agreements. The statement includes support for NAM priorities, including the EGA as discussed above as well as the Trade Facilitation Agreement, which G20 leaders committed to ratify by the end of 2016. In August, leading up to the G20, the NAM organized a group of more than 30 business associations to write [letters](#) to each of the 74 countries that had not ratified the TFA at that time. In addition, the final G20 communique emphasized the importance of open trade and investment (such as in the [G20 Guiding Principles for Global Investment Policymaking](#)), fighting protectionism and advancing negotiations on the remaining WTO Doha Development Agenda. NAM Executive Committee member Mary Andringa, chair of the board of [Vermeer Corporation](#), continued her active promotion of small business opportunities through her co-chairmanship of the B20’s Small and Medium Enterprises (SME) Development Task Force and other activities.

Obama administration prepares to lift sanctions on and resumes trade preferences with Myanmar.

On September 14, President Obama [announced](#) that he would be lifting sanctions on Myanmar. In addition, the president issued a [proclamation](#) that [re-designated](#) Myanmar as beneficiary of the Generalized System of Preferences (GSP) program that provides duty-free entry on non-import sensitive products into the United States from eligible developing countries. The U.S. government had suspended Myanmar’s GSP benefits in 1989 due to labor concerns.

Exports in Action

Webinar: Trans-Pacific Partnership Country Series

[Australia and New Zealand](#) – September 21

[Vietnam](#) – October 5

The International Trade Administration hosts a series of webinars to discuss how U.S. businesses will benefit from the TPP. Each webinar focuses on one or more of the 11 other TPP markets and provides insight into each one. These sessions will help businesses of all sizes better understand how the trade deal will improve competitiveness and expand market access in each nation. For more information, click on the link corresponding with each event.

Webinar: Ex-Im Bank Series

[Credit Insurance: Avoiding Risk](#) – September 22

[International Methods of Payment](#) – September 29

The Department of Commerce hosts a series of webinars for U.S. businesses interested in services offered by the Ex-Im Bank. For more information, click on the link corresponding with each event.

Webinar: Complying with Conflict Minerals Laws: Global Best Practices for Manufacturers

October 19

The U.S. Commercial Service and Robinson & Cole LLP will host a webinar on the laws and regulations on the use of conflict minerals. Participants will receive an update on compliance best practices for manufacturers and distributors in industries impacted by conflict mineral laws. For more information, click [here](#).

Webinar: What You Should Know About Export Requirements for FDA Regulated Products from U.S. to Foreign Countries

Pre-Recorded

Under U.S. law, in order to export products regulated by the Food and Drug Administration (FDA), businesses must receive certification from the FDA. In this webinar, Dr. Rossano V. Gerald provides guidance through the certification program and insight into the export process. For more information, click [here](#).

SupplySide West

Las Vegas, Nev.

October 4–8

SupplySide West is the world's leading ingredient and solutions trade show with more than 1,000 exhibitors and 120 hours of education programming. The four-day exhibition highlights new innovations and products in the food, beverage, supplement, animal nutrition, pharmaceutical, cosmetic and personal care product markets. In addition to networking opportunities on the trade floor, participants will have access to various trainings, workshops and panel discussions related to the consumer packaged goods industry. For more information, click [here](#).

Discover Global Markets: Building Smart Cities

Chicago, Ill.

November 1–3

The U.S. Commercial Service and the Illinois District Export Council will host a three-day conference focused on the development of more sustainable cities throughout the world. Participants will engage with trade experts, industry professionals and U.S. commercial service diplomats through panel presentations and executive meetings to learn more about the business opportunities and challenges as cities strive to become more sustainable. The conference will highlight modern infrastructure projects, green technologies, cybersecurity, disaster mitigation and a number of other critical components related to improving standards of living. For more information, click [here](#).

Information and Communication Technologies (ICT) and Services Trade Mission to Singapore and Vietnam

March 6–10, 2017

Next March, the Department of Commerce and International Trade Administration will lead a trade mission for U.S. ICT firms. The mission is designed to increase U.S. engagement in the region's rapidly expanding ICT sector. The agenda includes customized one-on-one business meetings with pre-screened buyers, market briefings, networking events and meetings with industry leaders. For more information, click [here](#).

Application deadline: January 8, 2017

Power Technologies Trade Mission to Saudi Arabia and the United Arab Emirates

March 12–16, 2017

Next March, the Department of Commerce and International Trade Administration will lead a trade mission for executives from U.S. companies in the power generation, transmission and distribution equipment industries. The mission will stop in four different cities and include customized one-on-one business meetings with pre-screened buyers, market briefings, networking events and meetings with industry leaders. For more information, click [here](#). **Application deadline: December 31, 2016**

For a listing of other upcoming Commerce Department trade missions, click [here](#).

Connect with the Manufacturers



Questions or comments?

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