**The balance of trade, commercial balance, or net exports (sometimes symbolized as NX), is the difference between the monetary value of a nation's exports and imports over a certain time period. Sometimes a distinction is made between a balance of trade for goods versus one for services. The balance of trade measures a flow of exports and imports over a given period of time. The notion of the balance of trade does not mean that exports and imports are "in balance" with each other.**

If a country exports a greater value than it imports, it has a **trade surplus** or **positive trade balance**, and conversely, if a country imports a greater value than it exports, it has a **trade deficit** or **negative trade balance.** As of 2016, about 60 out of 200 countries have a trade surplus. The notion that bilateral trade deficits are bad in and of themselves is overwhelmingly rejected by trade experts and economists.

The balance of trade forms part of the current account, which includes other transactions such as income from the net international investment position as well as international aid. If the current account is in surplus, the country's net international asset position increases correspondingly. Equally, a deficit decreases the net international asset position.

The trade balance is identical to the difference between a country's output and its domestic demand (the difference between what goods a country produces and how many goods it buys from abroad; this does not include money re-spent on foreign stock, nor does it factor in the concept of importing goods to produce for the domestic market).



Measuring the balance of trade can be problematic because of problems with recording and collecting data. As an illustration of this problem, when official data for all the world's countries are added up, exports exceed imports by almost 1%; it appears the world is running a positive balance of trade with itself. This cannot be true, because all transactions involve an equal credit or debit in the account of each nation. The discrepancy is widely believed to be explained by transactions intended to launder money or evade taxes, smuggling and other visibility problems. While the accuracy of developing countries' statistics would be suspicious, most of the discrepancy actually occurs between developed countries of trusted statistics.

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| Country | Trade Balance (% of GDP) |
| Russian Federation | 8.2 |
| Germany | 7.0 |
| Korea, Republic of | 5.4 |
| China | 3.7 |
| Italy | 2.5 |
| Indonesia | -0.1 |
| Japan | -0.8 |
| United Kingdom | -1.0 |
| Argentina | -1.1 |
| Brazil | -1.4 |
| Australia | -2.2 |
| France | -2.3 |
| Canada | -2.9 |
| Mexico | -3.0 |
| United States | -3.3 |
| India | -4.4 |
| Turkey | -4.6 |
| Saudi Arabia | -7.2 |
| South Africa | -7.5 |
| Average | **-0.79** |

Table : G20 Trade Balance (% of GDP) - Year 2015