

# American

## NEWS & VIEWS

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## U.S. Economy Improves in the April-to-June Quarter

By Merle David Kellerhals Jr. | Staff Writer

Washington - The U.S. economy showed modest improvement in the April-to-June quarter mostly on increased consumer spending and a modest improvement in trade, the U.S. Commerce Department reported September 29.

The economy reflected in the gross domestic product (GDP), the broadest measure of all goods and services produced in the United States, grew at an annual rate of 1.3 percent in the second quarter of 2011, based on more complete data, Commerce economists said.

The U.S. economy is a crucial engine for growth in global economic activity and movements in the GDP, international trade, employment and monetary policy are closely monitored by world governments and international financial markets. World currency markets also monitor U.S. economic activity because the U.S. dollar acts as the reserve global currency that underpins the 24-hour-a-day foreign exchange market that also links to the flow of global investments.

The Commerce Department reported that the GDP for the first quarter grew at an annual rate of 0.4 percent. For the first six months of 2011 the U.S. economy grew at annual rate of 0.9 percent. Most major economists have forecast modest economic growth for the United States in 2011, not another recession.

The National Association of Business Economists has forecast that for all of 2011 it expects an annual growth rate of about 1.7 percent and a growth rate of 2.3 percent in 2012.

"Factors supporting growth include accommodative monetary policy, growth in the rest of the world, business investment spending, and pent-up consumer demand," the association said in its September outlook report.

The new GDP report exceeds the preliminary forecast of growth at 1 percent for the second quarter that was reported in late August by the Commerce Department.

Separately, the U.S. unemployment rate in August was at 9.1 percent, but a weekly report from the Labor Department indicated that the number of people who applied for unemployment benefits fell slightly. Applications for unemployment benefits fell by 37,000 to a seasonally adjusted 391,000, which was the fewest since April 2, the Labor Department reported.

## Commerce's Sanchez to Lead Biotech Trade Mission to China

Washington - Francisco Sánchez, U.S. under secretary of commerce for international trade, announced September 28 that he will lead a trade delegation to Beijing and Hong Kong October 13-18 to promote U.S. goods, services and technologies in the biotechnology sector.

Representatives from 19 U.S. biotechnology and architecture/design firms that specialize in biotech facilities and laboratories will join Sánchez on the mission.

"China is considered the most important future market in terms of sales, clinical trial opportunities, and potential investment for U.S. biotech and life science firms," Sánchez said. "Its enormous consumer base and impressive economic growth reinforce its importance for U.S. companies."

China's biotech industry is growing at between 20 percent and 25 percent annually, outpacing China's overall growth, and biotechnology was identified as one of "seven strategic industries" in China's 12th Five-Year plan, according to the Department of Commerce. The seven industries listed on the plan are anticipated to represent more than 15 percent of China's gross domestic product by 2020.

Globally, the biotech industry is expanding rapidly, particularly in agriculture. In 2010, more than 15 million farmers in 29 countries grew biotech crops, reports the International Service for the Acquisition of Agri-biotech Applications, an international research group. Those countries represent more than half of the world's population.

The upcoming U.S. trade mission to China aims to provide U.S. participants with first-hand market information and access to decisionmakers in the Chinese government. The 19 companies are based in 11 different U.S. states; eight are headquartered in California.

The trade mission aims to advance President Obama's National Export Initiative, which set the goal of doubling U.S. exports by the end of 2014 from 2009 levels and supporting economic expansion and job growth.

The Commerce Department's International Trade Administration (ITA) has representation across the globe to help businesses start exporting, increase their exports and find business opportunities in other countries.

## U.S. Agricultural Trade Mission Visits Vietnam

Washington - An agricultural trade mission to Vietnam gave companies and officials an opportunity to evaluate

each other's capabilities and opportunities for expanded farm trade, a senior U.S. agriculture official says.

Acting Under Secretary for Farm and Foreign Agricultural Services Michael Scuse led the U.S. Agriculture Department's first-ever trade mission to Vietnam, visiting Hanoi and Ho Chi Minh City September 26-29.

Two-way agricultural, fish and forestry trade with Vietnam totaled nearly \$3.4 billion in 2010, and about \$1.5 billion of that was in U.S. agricultural trade, the Agriculture Department (USDA) said in announcing the trip.

The Agriculture Department recently forecast that exports in fiscal years 2011 and 2012 will reach a record \$137 billion, \$22 billion more than the previous record set in 2008, and \$28 billion above 2010.

Fifteen small and medium-sized U.S. companies participated in the mission. The U.S. group met with approximately 150 Vietnamese producers, importers, buyers, distributors and investors to develop trade relationships, U.S. Embassy Hanoi said in a September 29 statement.

"This agricultural trade mission will give U.S. and Vietnamese companies the chance to learn about each country's trade opportunities, business practices and government programs," Scuse said. "Since 2006, no other major U.S. agricultural export has grown as quickly as Vietnam. We believe the result of this mission will be increased trade and improved economic prospects for all."

Scuse said that Vietnam is a significant and growing market for U.S. producers and a driver for the American economy, helping to support more than 28,000 jobs in Vietnam and the United States through exports of American products.

"Establishing partnerships and creating opportunities for trade is how we will build an economy that continues to grow, innovate and out-compete the rest of the world," Scuse said. The meetings over the four-day trade mission were nearly nonstop, and provided a crucial opportunity for U.S. officials and private business leaders to meet Vietnamese officials, he added.

This type of trade mission helps each side learn about the other and creates a closer understanding on bilateral trade issues, which ultimately helps move trade forward, he said.

While in Vietnam, Scuse met with Vietnamese government and agricultural officials and U.S.

agribusiness. Scuse also visited agricultural production and development sites. Scuse was joined by U.S. Ambassador to Vietnam David Shear on September 28 to open the USA Pavilion at Food and Hotel Vietnam, one of Southeast Asia's premier food trade shows.

The USA Pavilion featured more than 20 exhibitors displaying a wide range of food and agricultural products to an anticipated 8,000 visitors.

The trade mission and U.S. participation in Food and Hotel Vietnam demonstrated support for President Obama's National Export Initiative, which aims to double all U.S. exports by the end of 2014, as compared to 2009 levels.

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