

## Economics Group

Sam Bullard, Senior Economist  
[sam.bullard@wellsfargo.com](mailto:sam.bullard@wellsfargo.com) • (704) 383-7372  
 Eugenio Aleman, Senior Economist  
[eugenio.j.aleman@wellsfargo.com](mailto:eugenio.j.aleman@wellsfargo.com) • (704) 715-0314

### Import Prices Fall in June

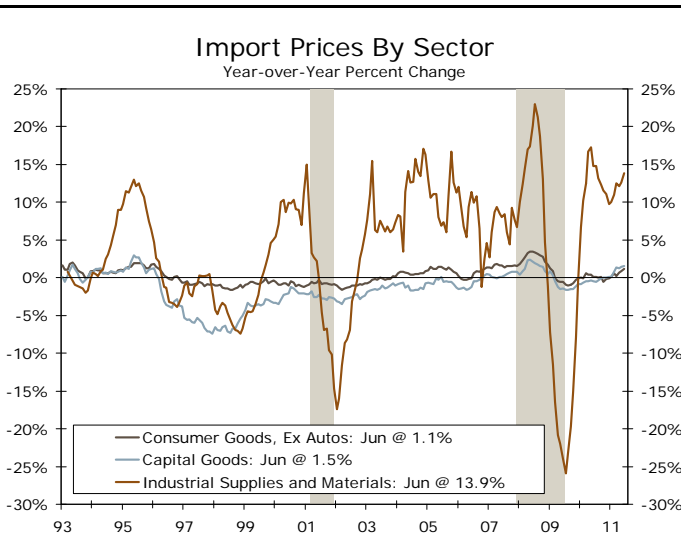
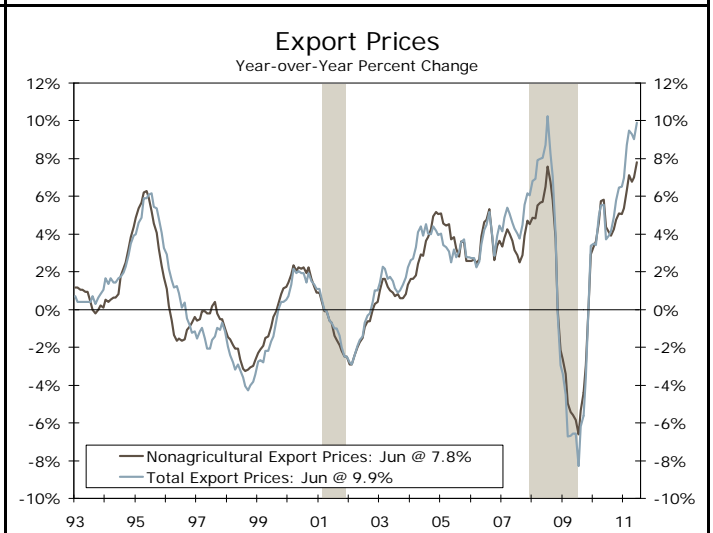
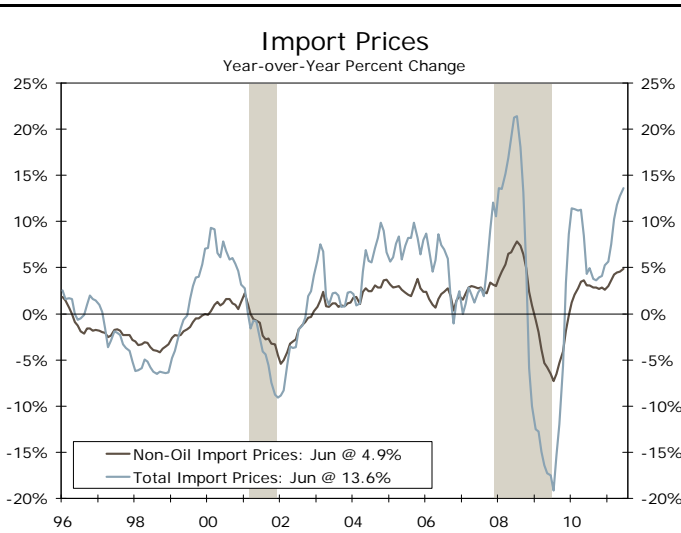
**Largely on the back of receding oil prices, total import prices fell 0.5 percent in June—the first monthly decline in a year. Export prices increased again, but monthly gains have moderated over the past few months.**

#### Lower Commodity Prices Weigh on Import Costs

- Total import prices fell roughly as expected as fuel prices declined for the second straight month, down 1.6 percent in June. Excluding fuel, import prices edged down 0.1 percent as lower nonfuel industrial supplies and food, feeds & beverages prices more than offset higher costs for automotive vehicles and consumer goods. Over the past year, total import prices are still up 13.6 percent—the strongest reading since August 2008.

#### Export Price Gains Moderating

- For the 11<sup>th</sup> consecutive month export prices increased, up 0.1 percent. Higher agriculture prices, notably corn, soybeans and wheat, accounted for the entire month's gain as prices excluding agriculture remained flat.
- Prices of goods imported from China edged up 0.1 percent. The year-over-year increase, however, continues its upward climb, rising above 3 percent for the first time since November 2008.



Source: U.S. Department of Labor and Wells Fargo Securities, LLC

## Wells Fargo Securities, LLC Economics Group

Diane Schumaker-Krieg	Head of Research & Economics	(704) 715-8437 (212) 214-5070	diane.schumaker@wellsfargo.com
Paul Jeanne	Associate Director of Research & Economics	(443) 263-6534	paul.jeanne@wellsfargo.com
John E. Silvia, Ph.D.	Chief Economist	(704) 374-7034	john.silvia@wellsfargo.com
Mark Vitner	Senior Economist	(704) 383-5635	mark.vitner@wellsfargo.com
Jay Bryson, Ph.D.	Global Economist	(704) 383-3518	jay.bryson@wellsfargo.com
Scott Anderson, Ph.D.	Senior Economist	(612) 667-9281	scott.a.anderson@wellsfargo.com
Eugenio Aleman, Ph.D.	Senior Economist	(704) 715-0314	eugenio.j.aleman@wellsfargo.com
Sam Bullard	Senior Economist	(704) 383-7372	sam.bullard@wellsfargo.com
Anika Khan	Economist	(704) 715-0575	anika.khan@wellsfargo.com
Azhar Iqbal	Econometrician	(704) 383-6805	azhar.iqbal@wellsfargo.com
Ed Kashmarek	Economist	(612) 667-0479	ed.kashmarek@wellsfargo.com
Tim Quinlan	Economist	(704) 374-4407	tim.quinlan@wellsfargo.com
Michael A. Brown	Economist	(704) 715-0569	michael.a.brown@wellsfargo.com
Tyler B. Kruse	Economic Analyst	(704) 715-1030	tyler.kruse@wellsfargo.com
Joe Seydl	Economic Analyst	(704) 715-1488	joseph.seydl@wellsfargo.com
Sarah Watt	Economic Analyst	(704) 374-7142	sarah.watt@wellsfargo.com

Wells Fargo Securities Economics Group publications are produced by Wells Fargo Securities, LLC, a U.S broker-dealer registered with the U.S. Securities and Exchange Commission, the Financial Industry Regulatory Authority, and the Securities Investor Protection Corp. Wells Fargo Securities, LLC, distributes these publications directly and through subsidiaries including, but not limited to, Wells Fargo & Company, Wells Fargo Bank N.A, Wells Fargo Advisors, LLC, and Wells Fargo Securities International Limited. The information and opinions herein are for general information use only. Wells Fargo Securities, LLC does not guarantee their accuracy or completeness, nor does Wells Fargo Securities, LLC assume any liability for any loss that may result from the reliance by any person upon any such information or opinions. Such information and opinions are subject to change without notice, are for general information only and are not intended as an offer or solicitation with respect to the purchase or sales of any security or as personalized investment advice. Wells Fargo Securities, LLC is a separate legal entity and distinct from affiliated banks and is a wholly owned subsidiary of Wells Fargo & Company © 2011 Wells Fargo Securities, LLC.

SECURITIES: NOT FDIC-INSURED/NOT BANK-GUARANTEED/MAY LOSE VALUE

