

The technological future is being built in North America

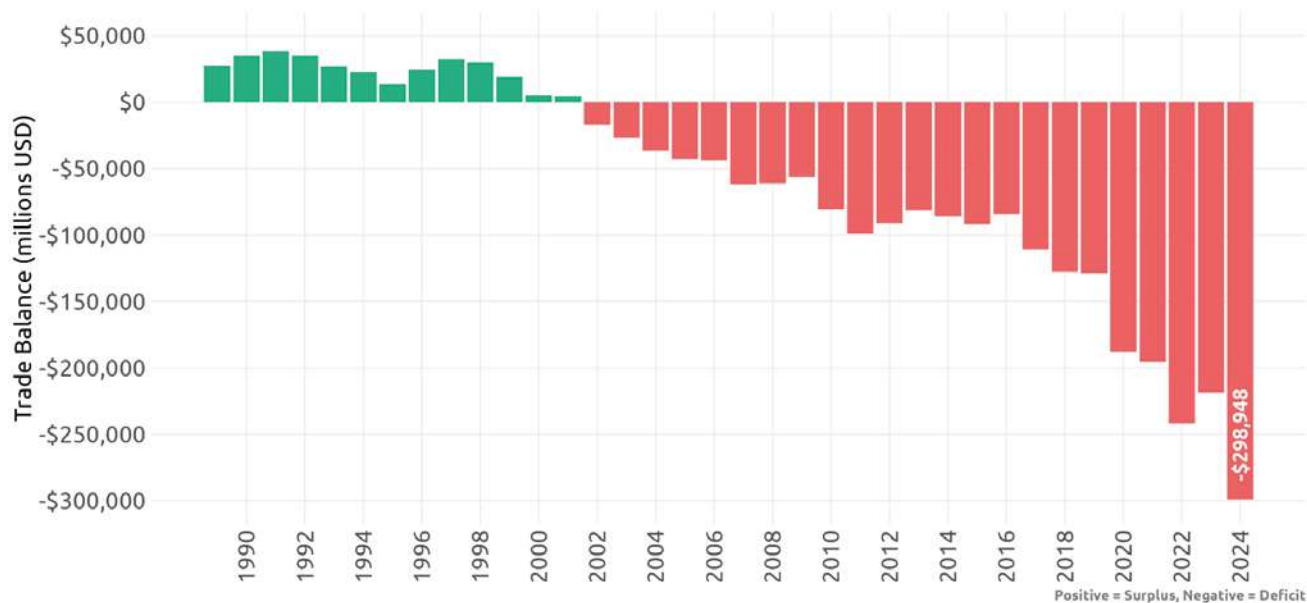
Strengthening supply chains, securing resilience, advancing integration

The U.S. trade deficit in advanced technology products (ATP) reached $-\$298.9$ billion in 2024, the deepest imbalance on record. As of June 2025, the deficit already stands at $-\$213.1$ billion, a 70% increase compared to the same period in 2024. This trend underscores the scale of U.S. technological dependencies in critical sectors. The ATP

trade balance, tracked by the Department of Commerce under ten categories—from biotechnology, life sciences, and optoelectronics to semiconductors, aerospace, and advanced materials—highlights where U.S. competitiveness is being eroded and why regional integration under the USMCA is central to restoring supply chain security.

US Trade balance in advanced technology products

ATP, by year



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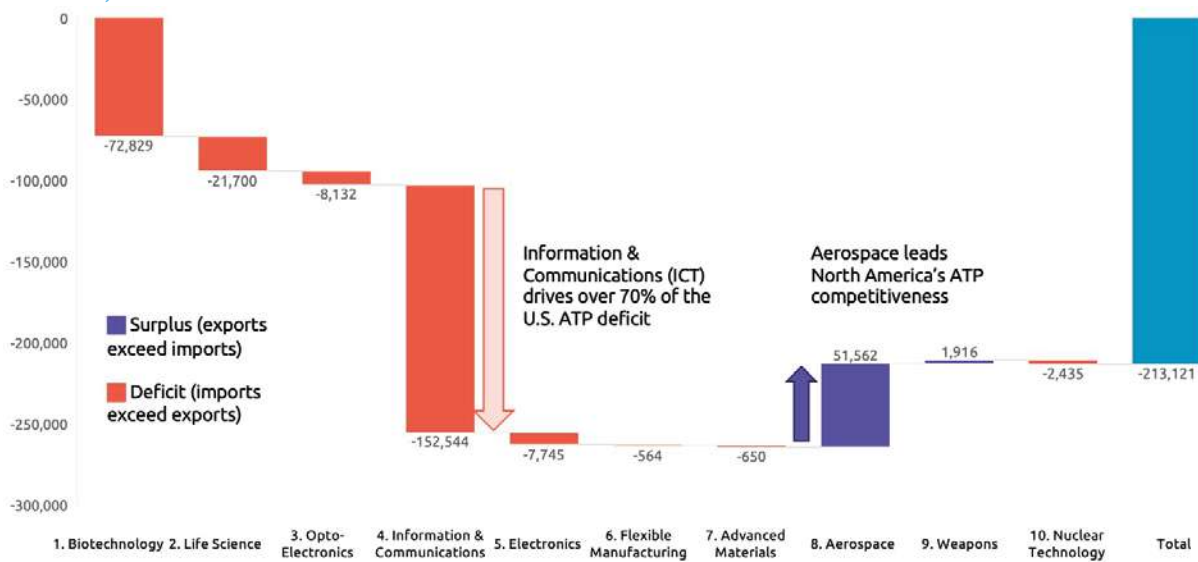
Why the USMCA matters?

The U.S. trade balance in advanced technology products (ATP) shows a stark contrast across sectors. On one hand, aerospace remains the largest U.S. surplus category (+\$51.6B YTD June 2025). This strength reflects decades of

deep U.S.-Canada co-production, where integrated supply chains in civil and defense aviation support American leadership worldwide.

Break down of the U.S. Advanced Technology Products trade balance

Millions USD, as of June 2025



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 Graph note: The decomposition of the U.S. advanced technology products trade balance deficit represents the net balance of each of the ten categories. Deficits (when imports exceed exports in a specific category) and surpluses (when exports are greater than imports in a category) are graphed. The total balance of the U.S. advanced technology products deficit, which reached (-) 213,120.9 billion dollars in the first half of 2025, is reduced by the surpluses in categories ATP 8. Aerospace and ATP 9. Weapons..

In contrast, information and communications technology (ICT) stands out as the main driver of the U.S. ATP trade deficit. As of June 2025, the ICT deficit reached -\$152.5 billion, accounting for 71.6% of the total ATP deficit. Imports in this category far exceed exports, underscoring the scale of the gap. Yet, the sourcing patterns

behind these flows highlight both the risks of concentrated dependencies and the opportunities offered by trusted regional partners.



Country	U.S. ICT Imports YTD (billions USD, June 2025)	YoY Growth	Trade Balance
Taiwan	\$54.3 B	+107%	-\$49.1 B
Mexico 	\$47.8 B	+82%	-\$27.9 B
Vietnam	\$36.7 B	+110%	-\$36.2 B
China	\$29.9 B	-32%	-\$28.2 B
Thailand	\$15.4 B	+72%	-\$14.6 B
India	\$12.7 B	+150%	-\$11.5 B

Made by México, ¿Cómo Vamos? using U.S. Census Bureau data on Advanced Technology Products (ATP) trade. Data as of June 2025.

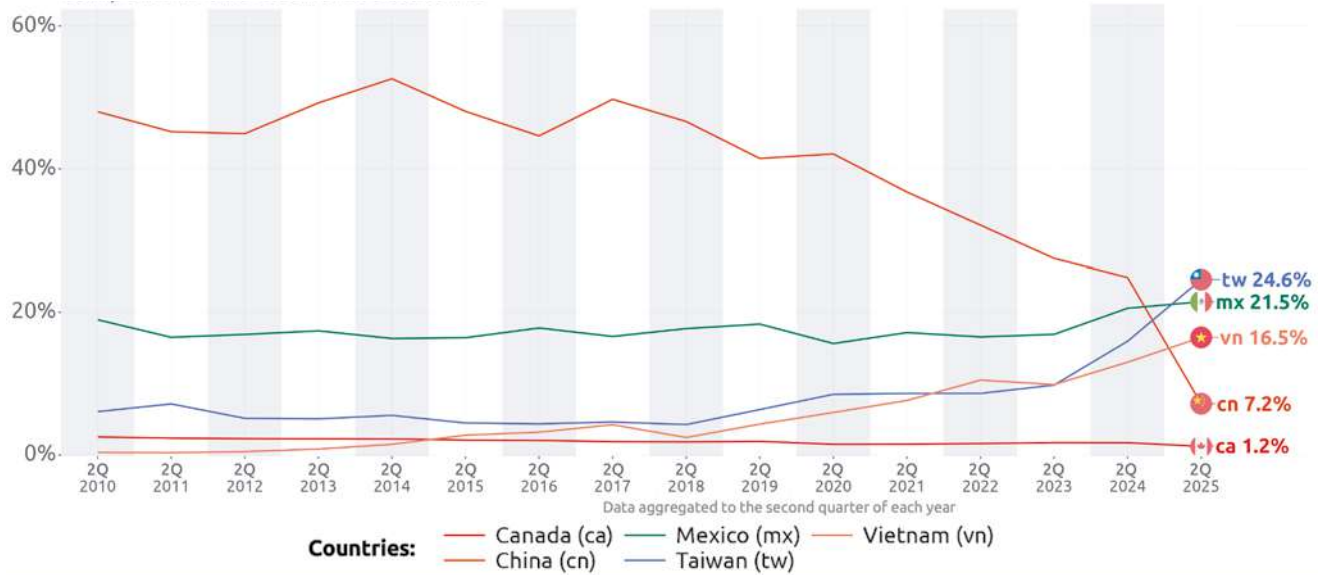
Shifts in U.S. ICT supply chains

- Taiwan has now overtaken Mexico as the top U.S. ICT supplier (\$54.3B YTD, +107% YoY), highlighting a growing concentration of supply in East Asia.
- Mexico, a USMCA partner, remains the second-largest supplier (\$47.8B YTD, +82% YoY), underscoring the region's untapped potential to offer a resilient and proximate alternative.
- China has fallen to fourth place (\$29.9B YTD, -32% YoY), reflecting the U.S. strategy of decoupling from China in order to secure its supply chains and redirect sourcing toward trusted partners.



Share of U.S. Imports

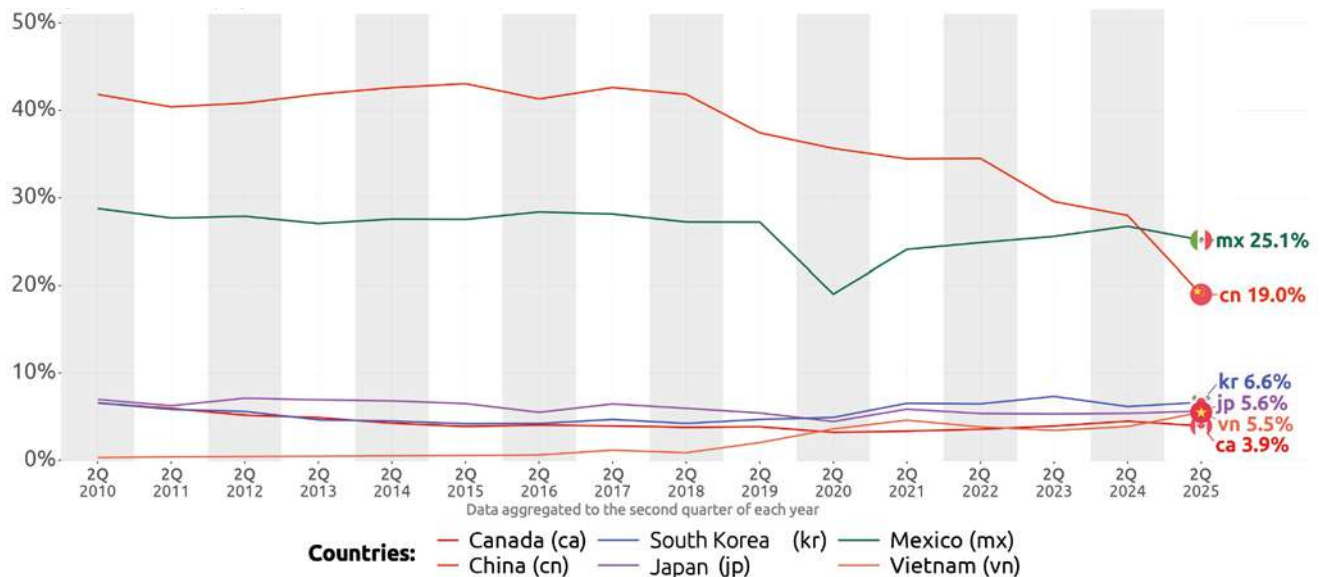
NAICS 334: Manufacturing of computer equipment, measurement devices, components and electronic accessories



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Share of U.S. Imports

NAICS 335: Manufacturing of accessories, electrical appliances and electric power generation equipment



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If North America intends to remain the global technological frontier, it must anchor supply chains within the region—not fragment them. U.S. aerospace leadership, driven by integration with Canada, already provides a strong template. Conversely, the U.S. ICT deficit, and its reliance on Taiwan, reveals vulnerabilities. Strengthening co-production under the USMCA is the path forward,

it enables secure, advanced technology production, reinforces competitiveness, and provides resilience against geopolitical disruption. At the same time, Canada’s leadership in rare earth elements offers a strategic advantage to secure critical inputs for next-generation technologies (Government of Canada). Together, integration can turn U.S. strategic dependence into regional strength.

Annex

The Advanced Technology Products (ATP) trade balance is composed of 10 categories

ATP 1	Biotechnology (Genetics, hormones, new pharmaceuticals)	ATP 6	Flexible Manufacturing (Advances in robotics and industrial automation)
ATP 2	Life Sciences (Scientific advancements applied to medicine)	ATP 7	Advanced Materials (Semiconductor materials, fiber optics, video discs)
ATP 3	Opto-Electronics (Scanners, solar cells, photosensitive semiconductors)	ATP 8	Aerospace (Civil and military aircraft, turbine engines)
ATP 4	Information & Communications (High-capacity data processing products, radars, satellites)	ATP 9	Weapons (Military applications, bombs, launch rockets)
ATP 5	Electronics (Electronic components, integrated circuits)	ATP 10	Nuclear Technology (Nuclear energy production devices, reactors, and their components)

Source: U.S. Census Bureau