

Japan Struggles with Soaring Trade Deficits

Contributed by Tom McGregor
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The trade deficit of Japan soared to a record high in January due to a strong yen that harms exports and its nuclear crisis ignited rising fuel imports. The BBC News reports that, "the deficit stood at 1.5tn yen (419bn) as exports dipped 9.3% from a year earlier, while imports rose 9.8%."

Fuel imports surged since most of its 54 nuclear reactors had been shut down after the earthquake and tsunami struck last March.

According to the BBC, "Japan has also been hurt by a slowdown in its key export markets such as the US and the eurozone."

Takeshi Minami of Norinchukin Research Institute, said, "special factors such as the earthquake last year, the nuclear problem and a temporary slowdown in the global economy as well as Japan's new year holiday came together and pushed down the trade balance."

To read the entire article from the BBC News, link here: Mcgregor@chinadaily.com.cn