



Economic Review

Global Uncertainty and U.S. Exports

by: Nicholas Sly and Nicholas Sly

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In recent years, demand for U.S. exports has been soft, dragging down U.S. economic growth. Some of the reduced demand for U.S. exports can be attributed to changes in foreign income levels and the value of the dollar. But another, less obvious factor influencing the demand for U.S. goods is uncertainty about foreign growth and financial volatility. Sly constructs a measure of uncertainty for U.S. trading partners and estimates how changes in foreign uncertainty influence foreign demand for U.S. exports. He finds that periods of greater uncertainty and financial volatility are associated with substantially lower demand for U.S. goods. Moreover, he finds that changes in uncertainty and volatility have been relatively more important determinants of U.S. exports in recent years. The results suggest that if foreign growth expectations stabilize—even if they remain relatively weak—U.S. export activity will likely increase.

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Nicholas Sly

Vice President, Economist, and Denver Branch Executive

As Branch Executive, Nicholas Sly serves as the KC Fed's regional economist and its representative in Colorado, Wyoming, and northern New Mexico, leading the local research and public engagement teams. He works closely with the [Denver Branch's board of directors](#), as well as local functional leadership, to foster branch culture and effectiveness. As Vice President, he provides strategic support for community development teams across all offices of the Tenth Federal Reserve District. He is also responsible for briefing the President of the Federal Reserve Bank of Kansas City on economic conditions in the region. The combined portfolio of regional economic research and community development ensures those briefings include the perspectives of the region's unique economic footprint and the perspectives of low- and moderate-income households. Before joining the Bank in 2015, Mr. Sly was associate professor of economics at the University of Oregon. He graduated from the University of Northern Iowa with a degree in mathematics and economics and earned his Ph.D. in economics from Michigan State University. Mr. Sly is also a graduate of the Stonier Graduate School of Banking.
