DOLLAR MISALIGNMENT IS NEXT FRONT ON TRADE
TRADE DEFICIT CANNOT BE NARROWED WITHOUT ADDRESSING DOLLAR EXCHANGE RATE

-All data refers to January 2018 through June 2019-

TARIF REVENUE

Total tariff penalty from section 201, 232 and 301 tariffs = $68.6B

7.2% appreciation from Jan. 2018 through June 2019

$336B subsidy to all imports

$268.4B tax on all exports

Total penalty on US trade from dollar misalignment = $604.4B

**THEREFORE:** Dollar misalignment penalty on US is **nearly 8.8 times greater** than the total tariff penalty on imports. This is why the US trade deficit continues to worsen.

**SOLUTION:** Realign the dollar exchange rate to achieve a current account balancing price.

US Dollar Trade Weighted Index (TWEXB)
January 2018 Through June 2019

USD Appreciated 7.2%

Each 1% dollar appreciation has a $56.4B negative trade impact ($24.7B penalty on exports + $31.7B import subsidy)

RESULT: 2018 trade deficit rose another 14%, killing jobs and growth. 2019 trade deficit expected to deteriorate further.
New National Priority: Fix the Misaligned Dollar

Spurring job creation, economic growth and increased wages

Excessive capital inflows from surplus nations drive the dollar price too high

Result: US is the primary importer of global overproduction

CPA Economic Model Shows:

27% Realignment of the Dollar Value Would Balance Trade and Deliver Massive Economic Benefits

<table>
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<tr>
<th>JOB CREATION</th>
<th>GDP GROWTH</th>
<th>JOB QUALITY IMPROVES</th>
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<tr>
<td>5.2M additional jobs</td>
<td>Annual growth increases by 74% (2.84% vs 1.63%)</td>
<td>Job growth concentrated in goods producing industries</td>
<td>Commodity prices and exports surge</td>
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The Competitive Dollar for Jobs and Prosperity Act (S. 2357) will require the Fed to manage the dollar exchange rate to achieve current account balance.