THE TRADE DEFICIT IN U.S. FELL 4% TO $43.1 BILLION

In September, the U.S trade deficit unexpectedly fell to the lowest level this year as exports surged to a new record high. The Commerce Department said in Washington that the shortfall shrank 4 percent to $43.1 billion from a revised $44.9 billion in August that was smaller than initially reported. While imports rose 0.3 percent, exports climbed 1.4 percent. A much smaller September U.S. trade bill, may just mean a bigger contribution to third-quarter growth. The gains in imports may be a signal to retailers, such as Gap. Inc., are keeping a tight lid inventories entering the holiday shopping season with unemployment at a low 9 percent and the stagnant wages. ''I wouldn't be surprised if today's numbers result in an upward revision to growth for the third quarter,'' says Paul Dales, who is a senior U.S. economist at Capital Economics Ltd. in Toronto. ''Exports have been doing well in recent months, and it will take time for the slowdown in overseas activity to take its toll.'' The stocks climbed after the trade data and a separate report that showed the jobless claims fell to a seven month low. At 9:56 a.m. in New York, the Standard & Poor's 500 Index rose 0.7 percent to 1,237.67. The Labor Department figures showed today in Washington, that the number of Americans filing applications for unemployment benefits fell by 10,000 to 390,000 in the week ended Nov. 5. According to the median forecast of 76 economists surveyed by Bloomberg News, a $46 billion trade gap was projected for September after an initially reported $45.6 billion. Estimates ranged from deficits from $49.5 billion to $42 billion. After eliminating the influence of the prices to render the figures used in calculating gross domestic product, the trade deficit averaged around $45.8 billion somewhere in the third quarter. The number was much less that the $47.2 billion deficit average in the second quarter. Dales at Capital Economics and economists at International Strategy & Investment were among the very few of those who raised their tracking estimates for the third-quarter growth. Before today's release, the Commerce Department figures from last month showed a narrower deficit contributed 0.2 percentage point to the 2.5 percent increase in third-quarter economic growth. In and e-mail, Dales said that the GDP from July through September may be revised up to as high as 2.8 percent. The economists at ISI said that the figure may be 2.9 percent at the annual rate. In September, exports climbed to $180.4 billion from $177.9 billion, boosted by overseas shipments of industrial supplies, capital equipment, automobiles and consumer goods. The gain imports was actually led by the automobiles, food and industrial supplies such as metals and petroleum products. In September, the U.S. imported les crude oil even as the cost declined. Today's report showed that the average price of a barrel of imported oil was $101.02 compared with $102.62 in August. In September, the U.S. companies imported about 280 million barrels, the fewest in four months.