

of products. Thus the market forecasts in the "U.S. Industry Outlook" section may cover a slightly different mix of products than the rest of this report.

Secondly, while most sections of the "U.S. Industry Outlook" address the entire sector, others address specific products or product groups. Forecasts made at both levels should be assessed carefully, as they may differ significantly from the prospects of any individual product included within them. It is therefore recommended that outlook data be used only as a general indication of sectoral prospects in the near term.

Medical equipment is discussed in the *U.S. Industrial Outlook* under a sector called "Medical and Dental Instruments and Supplies". This sector is further divided into four subsectors: "X-ray and Electro-medical Equipment"; "Surgical and Medical Instruments"; "Surgical Appliances and Supplies"; and "Dental Equipment and Supplies".

"X-ray and Electro-medical Equipment" includes: electro-medical diagnostic and therapeutic equipment, such as pacemakers, and electrocardiographs; radiographic apparatus and industrial and scientific X-ray equipment. Approximately 68% of X-ray products are for medical and dental use. "Surgical and Medical Instruments" includes products such as surgical hand instruments, intravenous equipment and syringes. "Surgical Appliances and Supplies" includes prosthetics, surgical dressings, wheelchairs and protective clothing. "Dental Equipment and Supplies" includes dental chairs, instrument delivery systems, cements and dentures.

Shipments of these products in the United States were estimated at \$20.8 billion (U.S.) in 1987. Exports reached \$3.1 billion (U.S.), almost 11% higher than the 1986 level. Export growth is forecast at 12.9% for 1988. U.S. imports in 1987 rose by 4.5% to \$2.3 billion (U.S.), dropping dramatically from the average annual rate of increase in imports of 24% during the 1981-86 period. This decline in the rate of growth has been attributed, in part, to the weaker U.S. dollar which has increased prices of imports. Imports are expected to increase 8.7% in 1988.

The outlook for each of the four subsectors is also positive. Growth is expected for all subsectors for both imports and shipments. Table 1, overleaf, presents the USDOC expectations for each subsector.