The United States trade deficit soared to a monthly record of $60.3 billion in November, the Commerce Department reported on Wednesday. The figure confounded predictions that the deficit would diminish with the weakening of the dollar and an easing in the price of oil.

Instead, the trade gap has created increased pressure for the dollar to drop even further.

In New York trading on Wednesday, the dollar fell 1.1 percent against the euro and 0.9 percent against the Japanese yen. At $1.3271, the euro is not far from its record high of $1.3667, which it reached against the dollar on Dec. 30. The dollar fell to 102.35 yen, not far from a five-year low of 102.08 on Dec. 3.

The jump in the trade deficit showed a surprising weakening in exports across the board, from farm products to capital goods like aircraft and semiconductors. Exports decreased to $95.55 billion in November from $97.79 billion in October; imports increased to $155.84 billion from $153.79 billion.

The figures, released by the Commerce Department, showed that the deficit is on track to exceed $600 billion for 2004, up from $496.5 billion in 2003. With November's report, it has already reached $561 billion.

Economists said that the trade deficit data was distressing and that several things would have to change if the trend were to be reversed. First, they said that Americans would have to save more and United States businesses must sell more goods and services overseas. In addition, they said that currency exchange rates needed to be adjusted, pointing in particular to China, whose currency, the yuan, is now linked to the dollar.

But persuading trade partners to adjust their policies to ease the American imbalance will be difficult at best, as many of these same countries are underwriting American debt by purchasing Treasury obligations.

The net debt position of the United States now stands at $2.4 trillion, costing Americans roughly $333 a person a year in interest.

"A trade deficit of this magnitude is not good," said Richard DeKaser, chief economist at the National City Corporation. "The problem is how do you tell these countries like China to change when they are funding the U.S. government. We'd like the Chinese to change their currency rate and at the same time continue to lend to us."

As usual, the largest trade deficit was with China: $16.6 billion in November. That was more than double the next largest, $7.297 billion with Canada and $7.285 billion with Japan. Still, those two imbalances increased in November by at least 24 percent.

The Bush administration took a different view, maintaining that the deficit showed the strength of the United States economy, not its weakness, as many economists contended.
Treasury Secretary John W. Snow said in a telephone interview that the deficit was a sign that the economy "is growing faster than those of our trading partners in the euro zone and in Japan."

"The economy is growing, expanding, creating jobs and disposable income," Mr. Snow said, "and that shows up in the demand for imports."

He blamed wealthy American trading partners for growing too slowly and not buying more American goods and services. And he underlined the view in Washington that the Europeans and the Japanese needed to expand their economies, a subject that he said would be discussed at a meeting in London in two weeks of the Group of 7 leading industrial nations.

Some analysts argued that Mr. Snow's comments showed that the administration was likely to do little to try to stop the dollar's decline.

"In reaction to today's release of record trade deficit figures," Peter D. Schiff, chief global strategist at Euro Pacific Capital, said in a message to clients, "Treasury Secretary John Snow continued with his Rumpelstiltskin routine of characterizing disastrous economic news as if it were just the opposite."

European officials also disagreed with Mr. Snow's analysis, saying it was not evident that Europeans would buy more American goods even if their economies expanded by another percentage point to match that of the United States.

Anthony Gooch, spokesman for the European Union in Washington, said there were many factors at play. "There are many reasons why the United States is running its trade deficit," he said, "but if it produces American goods of quality and at a competitive price, they will sell themselves. They always have and they always will."

Among the strongest American exports are capital goods like commercial aircraft and semiconductors, food and beverages, consumer goods like household appliances, industrial supplies, weapons, information technology and biotechnology.

The biggest import for the United States was oil. "Nearly half the $4.3 billion jump in the deficit was due to a surge in the petroleum deficit, which should now have peaked," said Ian Shepherdson, chief United States economist at High Frequency Economics, an economic analysis group.

Americans are also buying more consumer goods, like low-cost toys, household goods and clothing as well as luxury goods like jewelry and premium wine. But they are also buying computers, aircraft and telecommunications equipment made overseas.

Few economists said they saw any immediate sign that the trend would reverse. The main remedies they had hoped would help stabilize the deficit - lowering the value of the dollar and a fall in the price of oil - had failed.

"We now have the Grand Canyon of trade deficits and we can't be certain it won't widen further," said Joel Naroff of Naroff Economic Advisors. "Even if foreign companies start raising prices, we could still keep buying their goods at higher prices."

David Greenlaw, economist at Morgan Stanley, said there was some truth to the administration's arguments that other nations needed to expand and buy more American goods. He also said that China had to give up its fixed currency rate.
"If we keep heading in this direction," Mr. Greenlaw said, "and I don't see any sign of a change soon, you're going to have to have a meaningful further shift in currency values, especially if China doesn't budge."

Mr. Gooch of the European Union noted that both the euro and the yen were bearing the brunt of the falling dollar and said that Europeans were worried that their products would become too expensive for sale in the United States.

With this latest increase in the trade deficit, some economists are warning that there could be a hard landing for the United States economy.

"The trade deficit is a crisis waiting to happen," said Robert E. Scott, senior international economist at the Economic Policy Institute here, a liberal research center. "We can't continue to borrow $650 billion from the rest of the world to finance our consumption."

But Mr. Shepherdson cautioned against too much pessimism.

"The underlying trend in the trade numbers is unfavorable," he wrote in a report on Wednesday, "but the true rate of deterioration is nothing like as fast as the astonishing November data suggest."

He predicted a "hefty rebound" in the data for December but acknowledged that the trade deficit would continue to drag down American economic growth.