



UNCTAD/GDS/DSI/MISC/2020/3

# GLOBAL MERCHANDISE TRADE NOWCAST MAY 2020

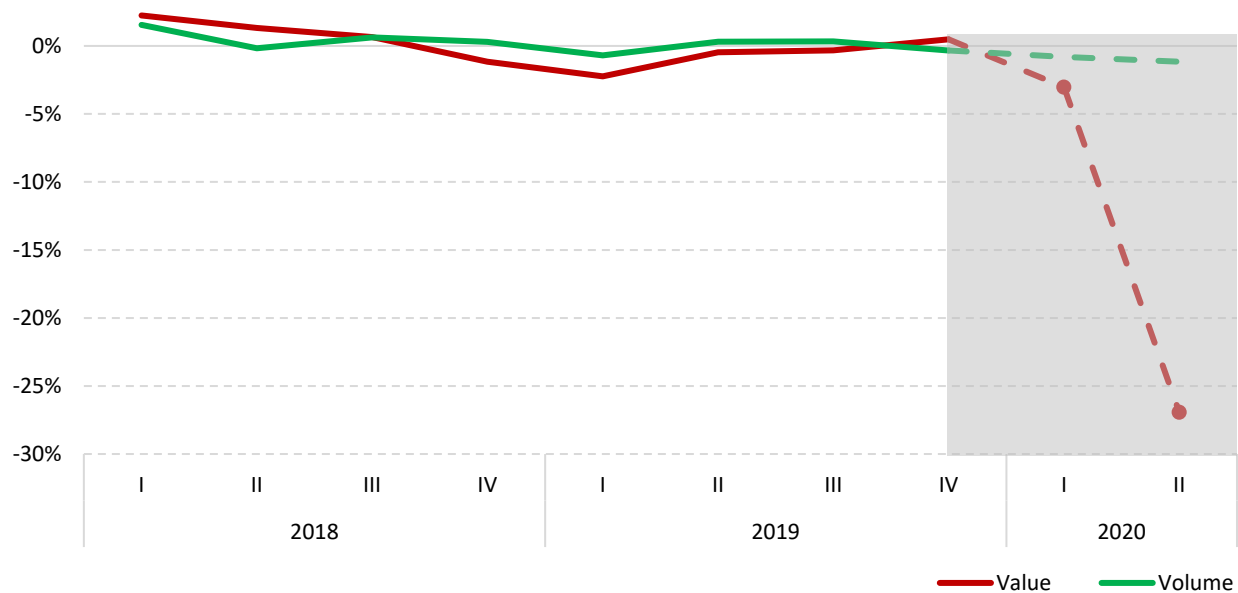
After the slowdown registered at the end of 2018 and most of 2019, global merchandise trade **values** were showing signs of recovery in late 2019 and early 2020, when the global economy was hit by the measures taken to contain the COVID-19 pandemic.

**Nowcasts signal a collapse in global trade for first half of 2020**

Based on the data available on 5 May 2020, UNCTAD nowcasts point to a fall of 3.0 per cent in the first quarter of 2020 with respect to the previous quarter. Most of the impact of these measures, however, will affect global trade in the second quarter of the year, with an estimated quarter-on-quarter decline of 26.9 per cent. Global merchandise trade **volumes** are also nowcast to fall through the first half of the year, although at more moderate rates.

**Figure 1. Global merchandise trade**

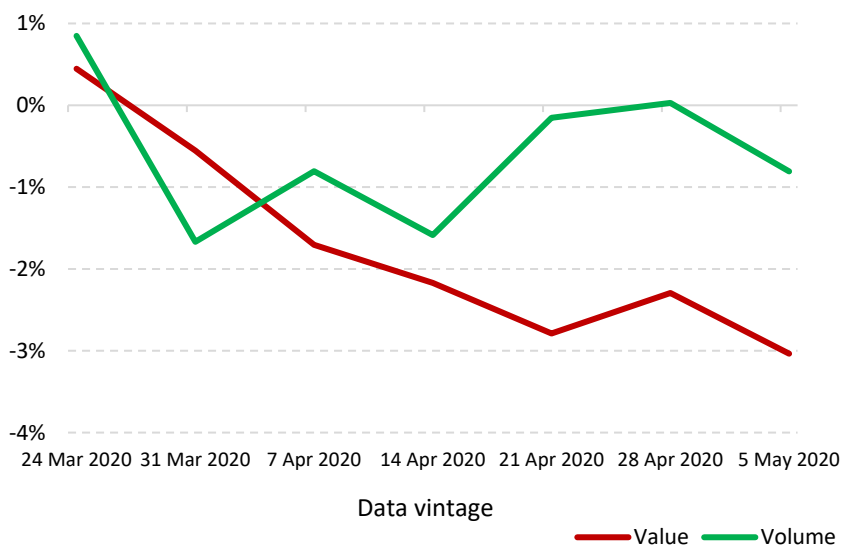
(Growth rate over previous quarter, seasonally adjusted series)



Source: UNCTAD calculations  
 Shaded area indicates UNCTAD nowcasts

UNCTAD nowcasts incorporate a wide variety of data sources, reflecting the diverse determinants and indicators of trade. They are updated weekly to capture the most recent data available. The nowcasts for the first quarter of 2020 of merchandise trade **values** were revised downwards over almost all the last updates, reflecting increasingly deteriorating prospects with every release of new statistics. Nowcasts for trade **volumes** have also declined with new data updates, but with more variability, explained by the different timing of containment measures for the pandemic: while China and other countries in East Asia already registered sharp falls since the beginning of the quarter, trade volumes in other regions of the world were still thriving. Trade volume estimates are expected to deteriorate further as future data releases confirm the global impact of the pandemic.

**Figure 2. Evolution of global merchandise trade nowcast, first quarter of 2020**  
(Growth rate over previous quarter, seasonally adjusted series)



Source: UNCTAD calculations

## Definition and methodology

UNCTAD's global merchandise trade nowcasts are real-time estimates of current trends in international trade in goods based on timely information from many data sources. The nowcasts presented correspond to total merchandise trade in value and volumes for the previous and current quarters. The preceding period is included to fill the publication gap: while the preceding quarter has elapsed, official figures will only be available after several months. Timely information is obtained from numerous official statistics and other country- and regional-level indicators of trade, industrial production, domestic trade, freight transportation, trade prices, and business and consumer surveys. UNCTAD updates its nowcast estimates once per week, reflecting new information releases and data revisions. All figures represent quarter-over-quarter growth rates of seasonally adjusted series. For more details on the methodology and underlying indicators, see [this working paper](#) and [this presentation](#).

*Disclaimer: The publication has not been formally edited*