

Facts and figures

Global trade poised for a record-breaking 2025 as flows expected to surge past \$35 trillion

KEY TAKEAWAYS

- ▶ **Trade kept growing** in late 2025, but at a slower pace.
- ▶ East Asia, Africa, and South–South trade **led global gains**.
- ▶ **Manufacturing** - especially electronics - **drove growth**; autos lagged.
- ▶ **2026 will bring slower trade growth** due to weaker economies and higher costs.



A record-breaking year: Global trade surges in 2025



Global trade trends and nowcast

Global trade growth slowed in Q3 2025, but remained positive at about 2.5 per cent quarter-on-quarter. Both goods and services contributed to this rise: goods trade increased by nearly 2 per cent from Q2, while services expanded by 4 per cent.

UNCTAD's nowcast suggests that this positive trend will continue in the final quarter of the year. Trade in goods is expected to grow by 0.5 per cent, and services by 2 per cent.

If these projections hold, global trade in 2025 will exceed \$35 trillion, an increase of around \$2.2 trillion—roughly 7 per cent—compared to 2024.

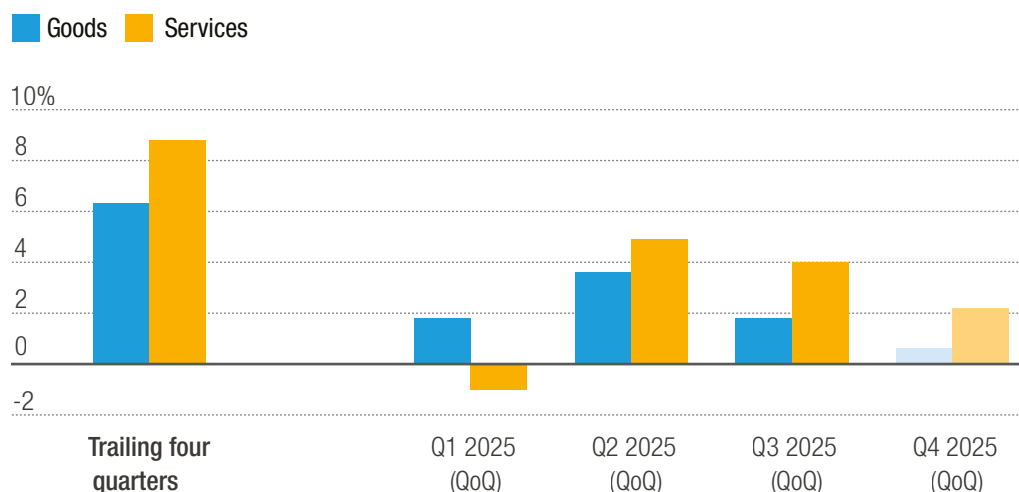
Of this total rise:

- ▶ Goods would contribute about \$1.5 trillion (approximately 6 per cent growth versus 2024).
- ▶ Services would add around \$750 billion (nearly 9 per cent growth versus 2024).



Global trade growth remains strong, but slowed in Q3 and Q4 of 2025

Trade value in goods and services: trailing four quarters and quarterly growth



Source: UNCTADstat; UNCTAD estimates based on national statistics.

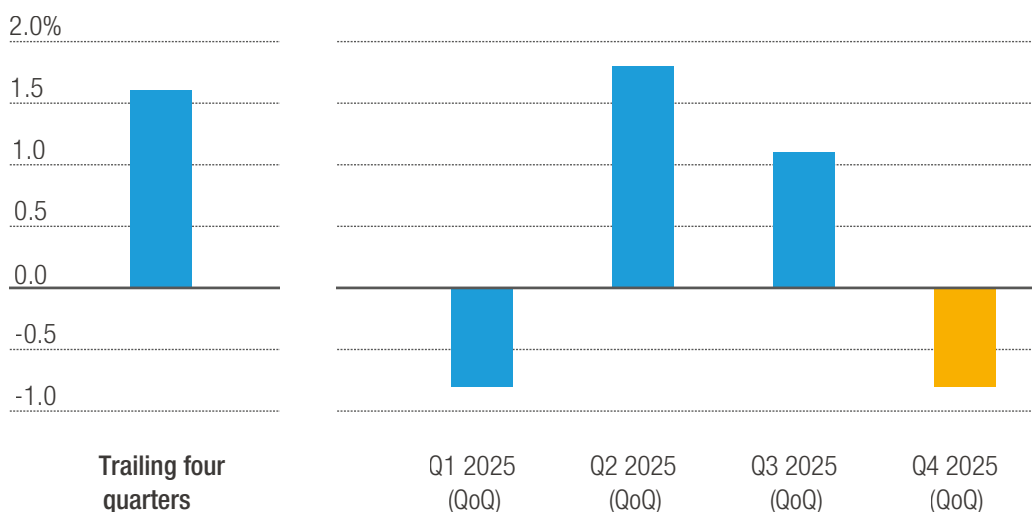
Note: Trailing four quarters (T4Q) growth measures the change in a variable over the last four quarters (Q1-2025 to Q4-2025) compared to the previous four quarters (Q1-2024 to Q4-2024). Quarterly growth (QoQ) is the quarter-over-quarter growth rate of seasonally adjusted values. Figures for Q3-2025 are preliminary. Q4-2025 is a [nowcast](#) as of 2 December 2025.

After two periods of inflationary trends, prices for traded goods are expected to decline in Q4 2025. This suggests that while the increase in trade value in Q2 and Q3 2025 was partly driven by higher prices, the increase in Q4 is expected to be fueled by rising volumes.



Trade inflation increased in Q2 and Q3 2025, but is set to decrease in Q4 2025

Overall price of traded goods: trailing four quarters and quarterly growth



Source: UNCTADstat; UNCTAD estimates based on national statistics.

Note: Trailing four quarters (T4Q) growth measures the change in a variable over the last four quarters (Q1-2025 to Q4-2025) compared to the previous four quarters (Q1-2024 to Q4-2024). Quarterly growth (QoQ) is the quarter-over-quarter growth rate of seasonally adjusted values. Figures for Q3-2025 are preliminary. Q4-2025 is a [nowcast](#) as of 2 December 2025. Data exclude services.



2026: **Opportunities and risks on the horizon**

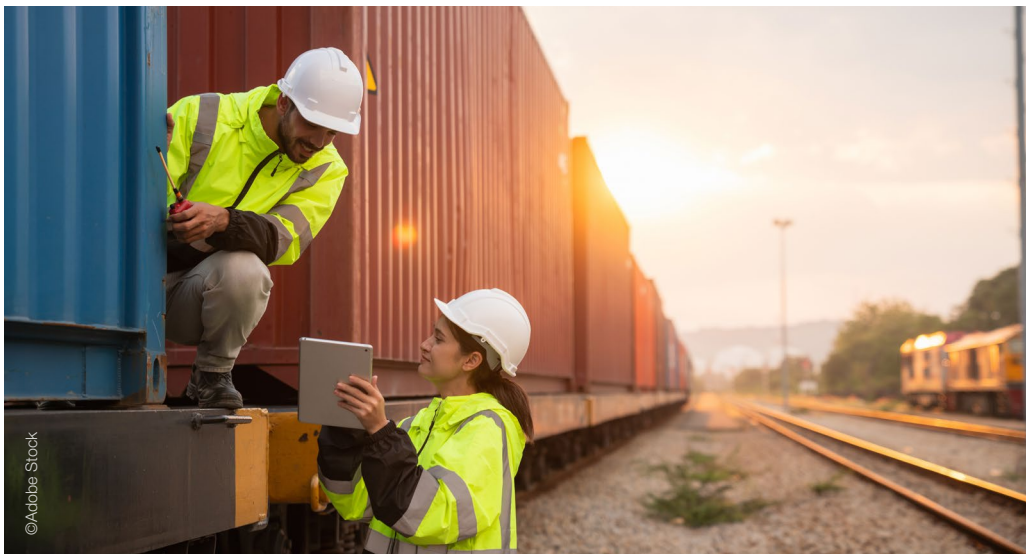


Outlook: Strong 2025 trade, rising pressures for 2026

Trade growth remained positive in Q3 2025, supported by developing economies, strong South–South trade, and robust performance in Africa and East Asia. UNCTAD [nowcast](#) for Q4 2025 indicates continued growth. In 2025, international trade is set to grow faster than the global economy (in real terms), reflecting renewed momentum in cross-border trade.

In 2026, global trade growth is expected to be more muted as slowing global economic growth, geopolitical fragmentation, continued policy uncertainty, and heightened vulnerability weigh on trade activity. In addition, rising trade costs contribute to an outlook marked by caution. While import demand in some consumer-driven markets and sectors, such as digital technologies and environmental industries, may provide some support, these factors are unlikely to fully offset weaker economic momentum and rising trade frictions.

On a more positive note, sentiment toward trade remains broadly supportive in many developing regions, sustaining commitments to increasing openness and investment in cross-border commerce, which could result in further expansion of intra-regional and South–South trade. All factors considered, expectations for the next few quarters point to a continuing deceleration in global trade growth, with trade performance likely to be uneven across countries and sectors.



Positive factors influencing the global trade outlook:

► Growing South–South trade

Expanding trade among developing economies is expected to continue, strengthening diversification, resilience, and opportunities to develop intra- and inter-regional trade networks.

► Increasing demand from emerging economies

The potential of stronger consumer demand for imports in emerging economies could help sustain imports of goods and services, supporting global trade flows.

► Digital, AI, and environmental sectors

Rapid growth in technology, digital, and environmental industries could provide some boosts in high-value, knowledge-intensive goods and services trade.

► Easing interest rates and lower borrowing costs

Central banks are expected to gradually cut interest rates in 2026, sustaining economic growth and global trade.

Negative factors hindering the trade outlook:

► Geopolitical tensions and conflicts

Persistent instability and ongoing conflicts continue to disrupt bilateral and regional trade patterns, increasing uncertainty for global commerce.

► Rising trade costs

Tariffs, complex regulations, restructuring of global value chains, and logistics bottlenecks are raising the cost, complexity, and unpredictability of cross-border trade.

► Persisting uncertainty in United States trade policy

Negotiations between the United States and key partners are likely to continue, leaving room for policy shifts affecting business confidence and investment decisions.

► Potential increase of restrictive policies due to overcapacity

The surge in industrial policy paired with weaker global demand may result in oversupply and encourage defensive trade measures, with trade in certain strategic sectors particularly affected.

► Mounting debt pressures, especially in developing countries

High public and private debt levels constrain fiscal support, reduce investment, and weaken import demand, limiting trade growth.



The new engines: East Asia, Africa, and South–South trade



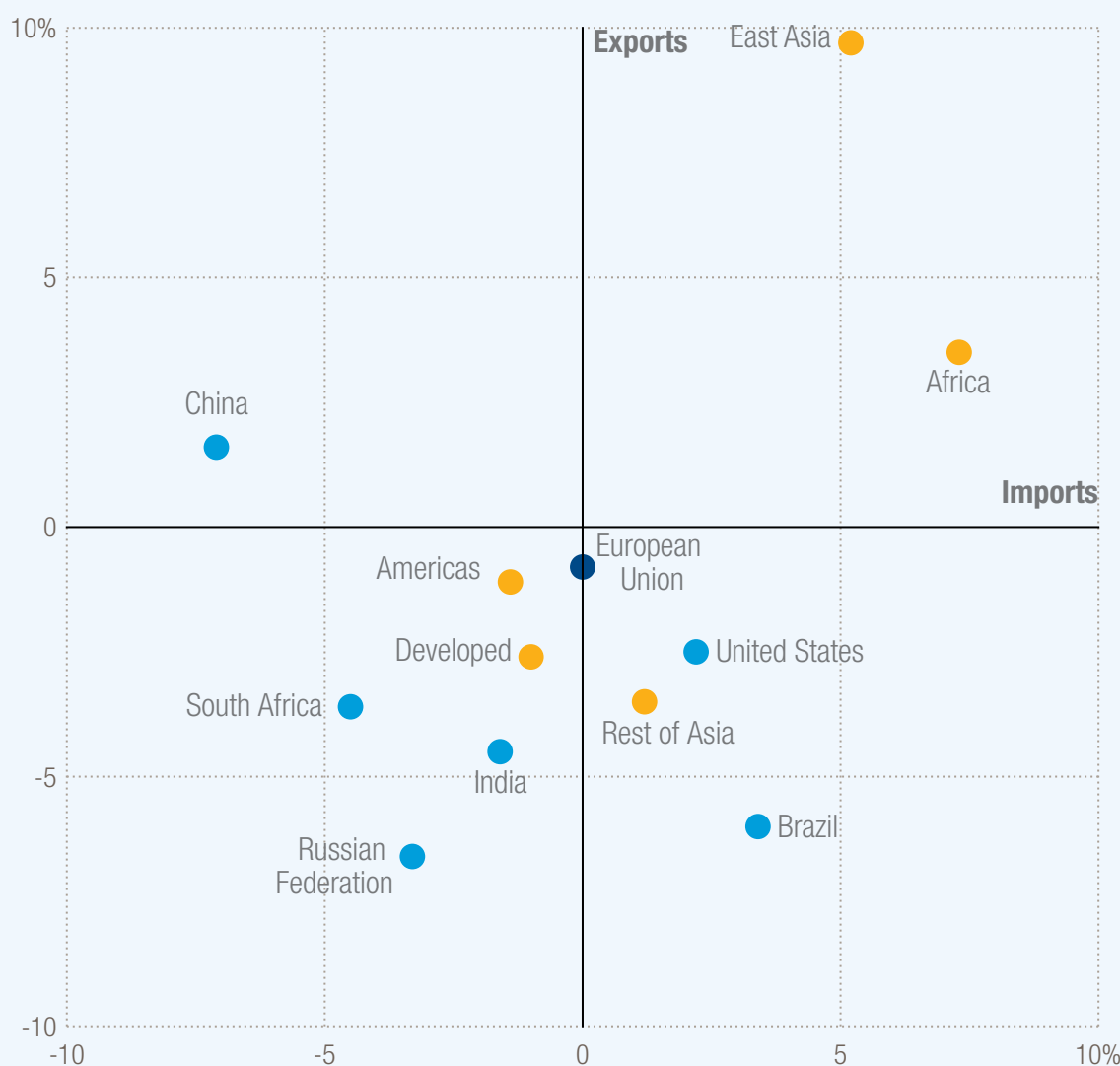
Regional trade splits, developing regions lead



East Asia and Africa drive global trade in 2025 as United States imports stay strong and Chinese imports lag

**Imports and exports growth:
percentage-point difference from global average
(Jan-Sept 2025)**

● Country ● Region ● European Union



Source: UNCTAD estimates based on national statistics.

Note: Data exclude services. Regions include only developing countries and exclude listed economies.



Goods trade growth in Q3 2025 was fairly balanced between developed and developing economies, with imports outside East Asia growing more strongly. South–South trade posted below-average growth in the quarter but remained well above average over the past 12 months, expanding around 8 per cent. When excluding East Asian economies, South–South trade growth was stronger in Q3, but comparatively weaker on T4Q basis.

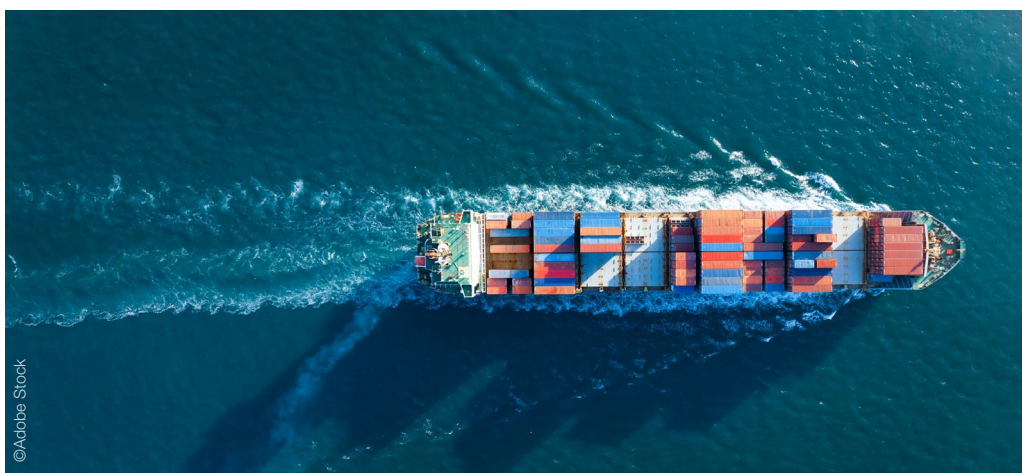


Broad-based trade growth, with developing economies leading T4Q export gains

| | Quarterly growth | | Trailing four quarters | |
|--|------------------|---------|------------------------|---------|
| | Imports | Exports | Imports | Exports |
| Developed countries | 1% | 2% | 6% | 4% |
| Developing countries | 2% | 2% | 6% | 8% |
| Developing countries (excluding East Asia) | 4% | 2% | 4% | 5% |
| South-South trade | 1% | | 8% | |
| South-South trade (excluding East Asia) | 3% | | 3% | |

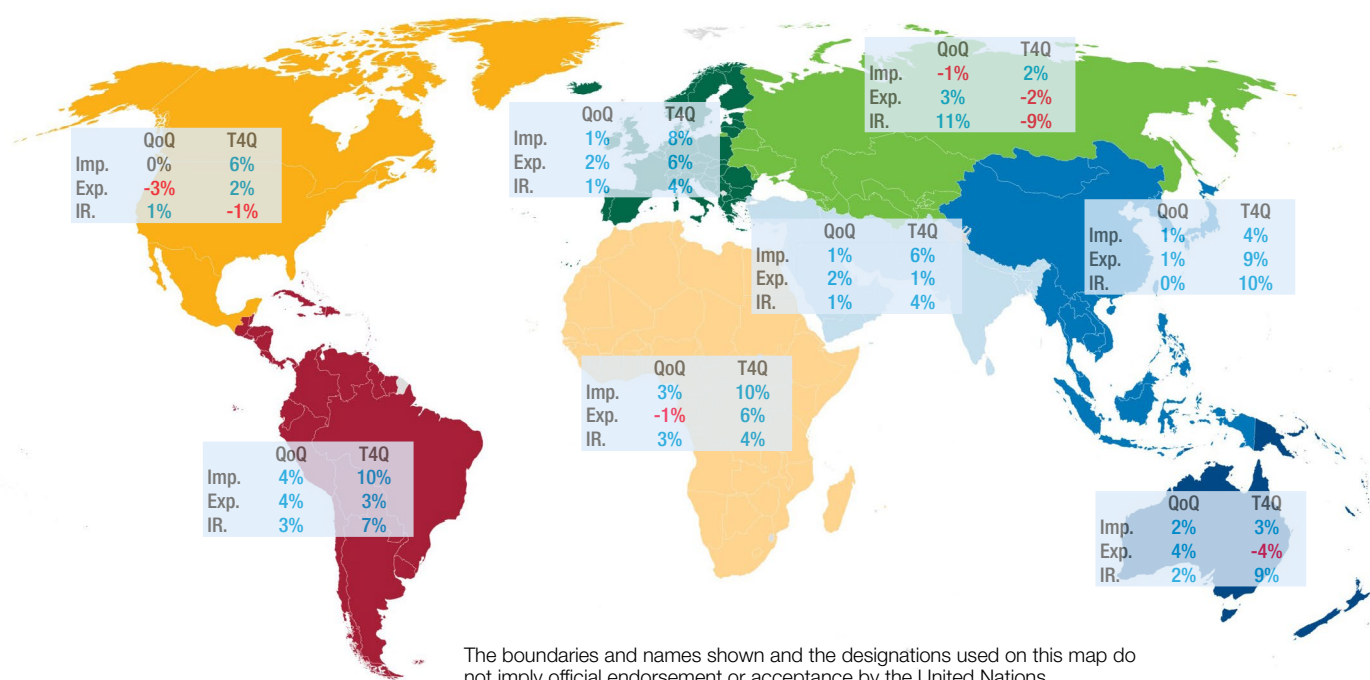
Source: UNCTAD estimates based on national statistics.

Note: Trailing four quarters (T4Q) growth measures the change in a variable over the last four quarters (Q4-2024 to Q3-2025) compared to the previous four quarters (Q4-2023 to Q3-2024). Quarterly growth (QoQ) is the quarter-over-quarter growth rate between Q2 2025 and Q3 2025. Data is seasonally adjusted. Data exclude trade in services. East Asia is defined as in the map below.



In Q3 2025, goods trade growth was strongest in South America and the Pacific, while North America experienced declines in exports. Intra-regional trade expanded robustly in South America and Africa. Over the past 12 months, Europe, East Asia, and Africa outperformed, whereas the Pacific and Central Asia lagged, particularly in exports. During the 12-month period, East Asia intra-regional trade surged by 10 per cent.

➤ Q3 2025 sees trade growth above average in South America, while East Asia drives T4Q growth












Source: UNCTAD estimates based on national statistics.

Note: Trailing four quarters (T4Q) growth measures the change in a variable over the last four quarters (Q4-2024 to Q3-2025) compared to the previous four quarters (Q4-2023 to Q3-2024). Quarterly growth (QoQ) is the quarter-over-quarter growth rate between Q2 2025 and Q3 2025. Data are seasonally adjusted. Data exclude trade in services. Imports and exports exclude intra-European Union trade, while intra-regional for Europe includes intra-European Union trade.

Diverging trade trends among major economies

Goods trade in Q3 2025 displayed a mixed picture across major economies. Brazil, the Republic of Korea and South Africa recorded strong growth, while Japan and the United States saw weaker performance. In China, imports rose, but export growth stalled, even though the country remained the top exporter on a 12-month basis. Trade figures for the Russian Federation remained highly volatile, reflecting reversing quarterly trends.

Trade in goods expanded in most of the major economies in Q3 2025, except for Japan and the United States










| GOODS (Q3 2025) | Imports growth | | Exports growth | |
|---|----------------|-----|----------------|-----|
| | QoQ | T4Q | QoQ | T4Q |
|  Brazil | 6% | 9% | 4% | 0% |
|  China | 4% | -1% | 0% | 7% |
|  India | 1% | 4% | 1% | 1% |
|  Japan | -3% | 0% | -2% | 3% |
|  Republic of Korea | 4% | 0% | 5% | 3% |
|  Russian Federation* | -6% | 3% | 3% | -1% |
|  South Africa | 12% | 1% | 10% | 2% |
|  United States* | 0% | 8% | -2% | 3% |
|  European Union | 2% | 6% | 2% | 5% |

Source: UNCTAD estimates based on national statistics.

Note: Trailing four quarters (T4Q) growth measures the change in a variable over the last four quarters (Q4-2024 to Q3-2025) compared with the previous four quarters (Q4-2023 to Q3-2024). Quarterly growth (QoQ) is the quarter-over-quarter growth rate between Q2 2025 and Q3 2025. Data are seasonally adjusted. Data exclude intra-European Union trade. *denotes estimates.

Services trade showed mixed trends among major economies in Q3 2025. Exports grew strongly in China and the Republic of Korea, but slipped slightly in Japan. Imports expanded notably in Brazil and India. Over the past 12 months, services trade remained robust across major economies, with China and India leading in export growth.

Services trade growth was positive in most of the major economies in Q3 2025

| SERVICES (Q3 2025) | Imports growth | | Exports growth | |
|---|----------------|-----|----------------|-----|
| | QoQ | T4Q | QoQ | T4Q |
|  Brazil | 5% | 4% | 4% | 5% |
|  China | 2% | 3% | 6% | 16% |
|  India | 5% | 8% | 2% | 13% |
|  Japan | 0% | 8% | -2% | 10% |
|  Republic of Korea | 2% | 8% | 6% | 7% |
|  Russian Federation* | 1% | 14% | 1% | 7% |
|  South Africa ¹ | 1% | 7% | 5% | 13% |
|  United States* | 2% | 8% | 1% | 7% |
|  European Union* | 1% | 7% | 4% | 6% |

Source: UNCTAD estimates based on national statistics.

Note: Trailing four quarters (T4Q) growth measures the change in a variable over the last four quarters (Q4-2024 to Q3-2025) compared to the previous four quarters (Q4-2023 to Q3-2024). Quarterly growth (QoQ) is the quarter-over-quarter growth rate between Q2 2025 and Q3 2025. Data are seasonally adjusted. Data exclude intra-European Union trade. * denotes estimates. ¹ data are for Q2 2025.



➤ Growing tensions: Imbalances, fragmentation, and dependencies

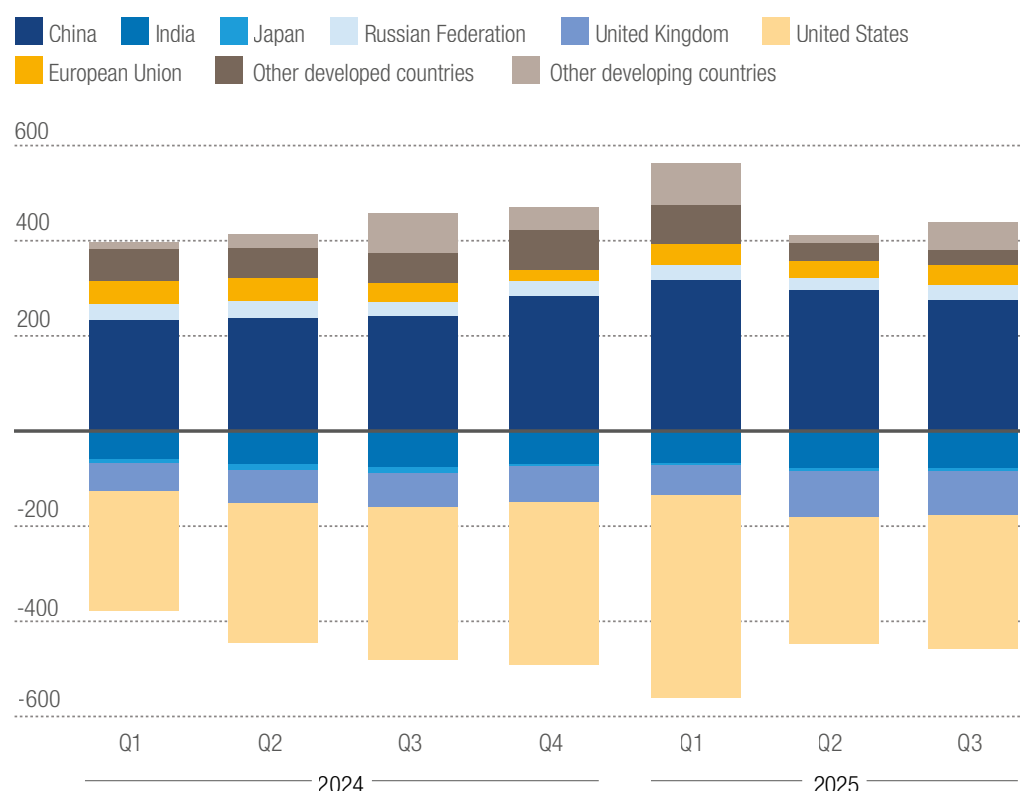


Global imbalances in goods trade

Global imbalances in goods trade remained relatively stable in Q3 2025. However, they are expected to have been growing on an annual basis due to the highest imbalances in Q1 2025. China's surplus in goods trade continued to narrow in Q3 2025, but was still \$30 billion higher than in Q3 2024. The United States' trade deficit declined in Q3 with respect to both Q2 2025 and Q3 2024.

Global trade imbalances are stabilizing, yet remain at high levels

Trade balance in goods (\$ billion)



Source: UNCTAD estimates based on national statistics.

Bilateral trade imbalances in goods among major economies remain high, with some widening over the past quarter. The United States trade deficits with Canada, China and the European Union continued to shrink, while its deficits with Mexico and Viet Nam increased. Meanwhile, China's surpluses with Viet Nam and the European Union grew considerably, while its deficits with Australia and Taiwan Province of China narrowed.

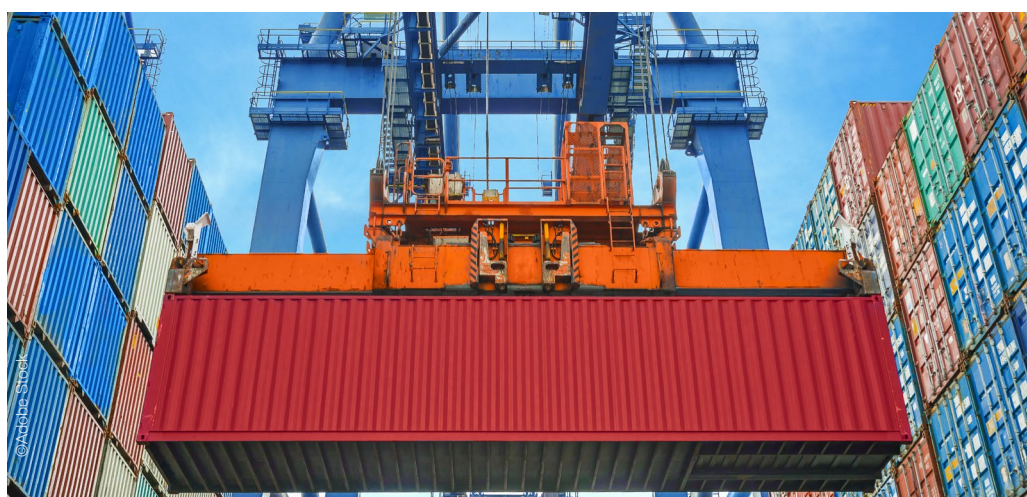
➤ Bilateral trade imbalances remain large in Q3 2025, though some have shrunk

Bilateral trade balances in goods, selected flows (\$ billion)

| Deficit economy | Surplus economy | T4Q deficit | Deficit increase in Q3 2025 | Deficit economy | Surplus economy | T4Q deficit | Deficit increase in Q3 2025 |
|-----------------|--------------------------|-------------|-----------------------------|--------------------|--------------------|-------------|-----------------------------|
| United States | China | 342 | -28 | Mexico | China | 66 | -3 |
| European Union | China | 265 | 22 | United Kingdom | China | 63 | 2 |
| United States | European Union | 256 | -15 | India | Russian Federation | 56 | -1 |
| United States | Mexico | 214 | 11 | United States | Japan | 52 | -5 |
| United Kingdom | European Union | 184 | 0 | United States | India | 48 | 5 |
| China | Taiwan Province of China | 162 | -21 | European Union | Norway | 44 | -5 |
| United States | Viet Nam | 124 | 11 | China | Australia | 42 | -11 |
| India | Canada | 113 | 2 | China | Brazil | 22 | 6 |
| Viet Nam | China | 85 | 23 | Mexico | European Union | 22 | 2 |
| United States | Canada | 74 | -21 | Russian Federation | European Union | 7 | 1 |

Source: UNCTAD estimates based on national statistics.

Note: Trailing four quarters (T4Q) deficit positions are calculated as the total over the last four quarters (Q4 2024 to Q3 2025). Deficit increase in the last quarter is measured by the difference between consecutive four-quarter moving sums.



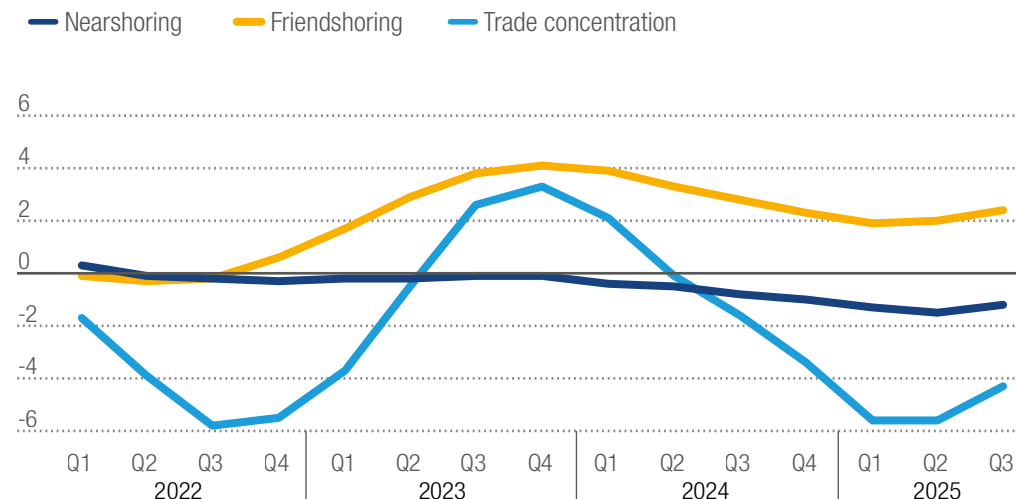
Global trade dynamics: friendshoring, nearshoring and concentration

Q3 2025 data indicate a shift in global trade growth patterns. Trade growth between politically close countries remains above historical averages and is rising again in Q3 after a recent downturn. Trade concentration reversed trend in Q3, indicating faster growth among the largest economies. Meanwhile, nearshoring, although still below historical averages, has shown improvement, suggesting slightly stronger trade growth between geographically close countries.



Q3 suggests a possible return to friendshoring, nearshoring and concentration in trade flows

Annual change relative to 2021 average (per cent)



Source: UNCTAD estimates based on national statistics.

Note: Annual changes are measured as deviation from baseline index of 2021. Nearshoring is calculated as reverse of trade-weighted average distance in km. Friendshoring is calculated as trade-weighted political proximity as measured by the United Nations voting patterns. Trade concentration is calculated based on the Herfindahl concentration index.



Geoeconomic factors continue to play a significant role in shaping key bilateral trade patterns. These dynamics have had a substantial impact on trade between major economies and on their relationships with other partners. However, some of these shifts have been stabilizing. For instance, over the past 12 months, trade interdependence between China and the United States has changed little, while more significant changes have occurred among some of their respective trading partners.



Geoeconomic fragmentation reflects in trade interdependencies

| Increasing trade dependence | | T4Q change | Decreasing trade dependence | | T4Q change |
|-----------------------------|----------------|------------|-----------------------------|----------------|------------|
| Dependent | Depending on | | Dependent | Depending on | |
| Malaysia | United States | 2.3% | Australia | China | -2.3% |
| Russian Federation | China | 1.7% | United Kingdom | European Union | -2.2% |
| Viet Nam | United States | 1.5% | Brazil | China | -1.9% |
| Thailand | China | 1.2% | Russian Federation | European Union | -1.3% |
| Brazil | United States | 1.0% | Thailand | Japan | -1.2% |
| Turkey | European Union | 0.9% | Australia | Japan | -1.2% |
| United Kingdom | United States | 0.8% | United States | Canada | -1.1% |
| Brazil | European Union | 0.7% | Viet Nam | China | -0.9% |
| Russian Federation | India | 0.7% | Canada | United States | -0.8% |
| China | United States | 0.3% | United States | China | -0.6% |

Source: UNCTAD estimates based on national statistics.

Note: The trade dependence of an economy on another is calculated as their bilateral trade over the total trade of the dependent economy. Trailing four quarters (T4Q) change is calculated as a four-quarter average (Q4 2024 to Q3 2025) of this ratio compared to the previous four quarters (Q4 2023 to Q3 2024).



➤ Sector stories:

Agriculture up, energy down, technology rising

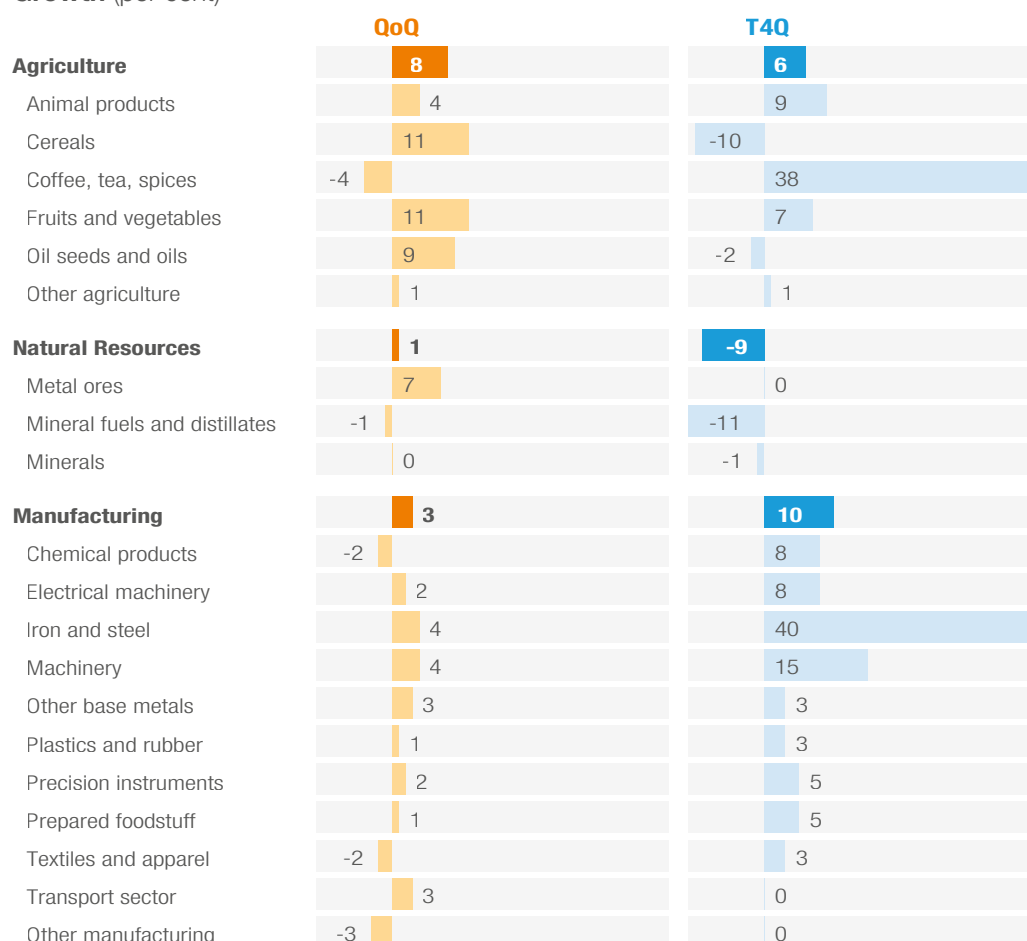


Sectoral trends: Agriculture rises, manufacturing leads

Trade growth in Q3 2025 varied significantly across sectors. Agricultural trade rose strongly, led by cereals, fruits, vegetables, oil seeds and oils. Comparing QoQ growth with T4Q indicates some volatility in the trade of many agricultural products. Manufacturing also recorded significant gains, particularly in non-electrical machinery and iron and steel products. By contrast, trade in natural resources was more subdued, weighed down by lower prices of mineral fuels. Over the past 12 months, manufacturing trade outpaced other sectors, expanding around 10 per cent, with iron and steel products showing particularly strong growth. Conversely, trade in natural resources registered a negative growth over the past 12-month period.

Agriculture drives trade growth in Q3, but manufacturing grew the most over 12 months

Growth (per cent)



Source: UNCTAD estimates based on national statistics of Australia, Brazil, China, India, Japan, South Africa, Türkiye, the United States and the European Union.

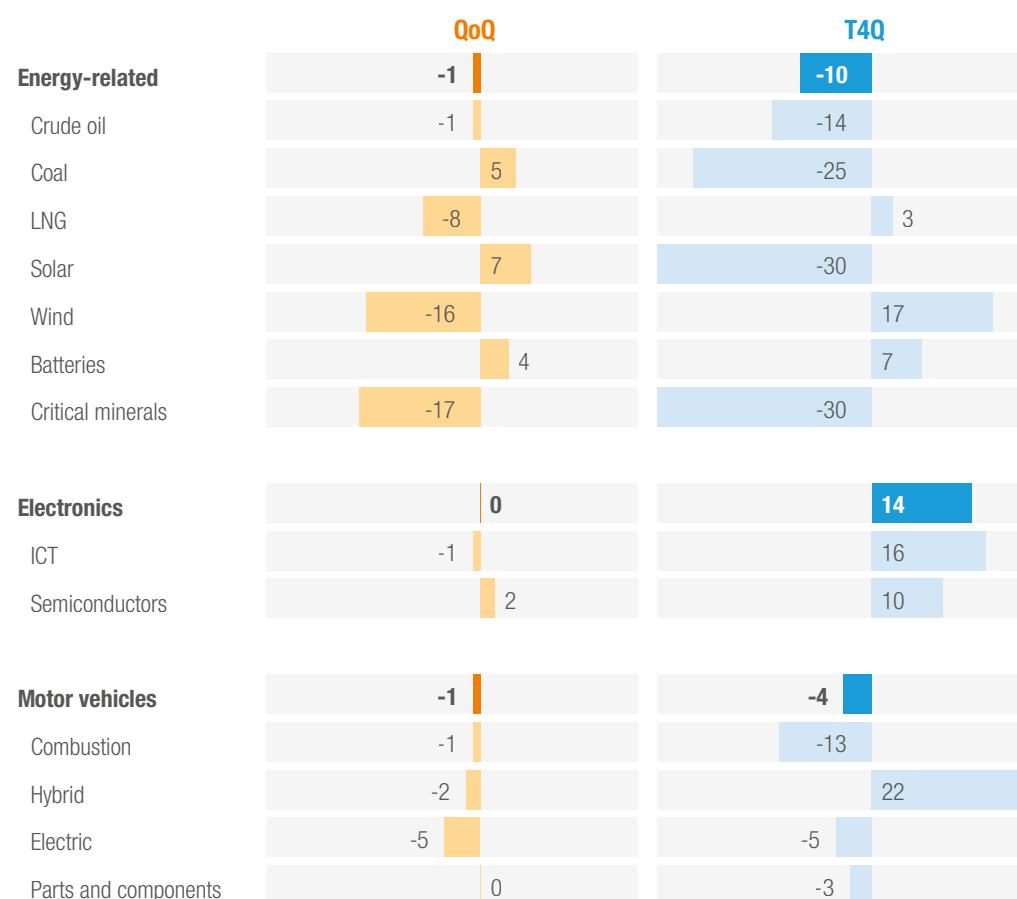
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Industry trends: Fossil fuels down, electronics lead

Over the past 12 months, trade patterns in the energy, electronics, and automotive sectors shifted notably. Fossil fuel trade declined sharply amid falling prices, while renewable energy products showed mixed performance: wind- and battery-related goods expanded, whereas solar products and critical minerals fell, reflecting both price drops and changing policies. Overall, trade in renewables remained volatile, influenced by market dynamics and policy incentives. Electronics trade outperformed manufacturing averages, driven in part by rising AI-related demand, although growth slowed down in Q3 2025. The automotive sector continued to decline overall, with T4Q growth driven primarily by hybrid vehicles.

Energy-related trade continues to decline as electronics decelerate and motor vehicles remain weak

Growth (per cent)



Source: UNCTAD estimates based on national statistics of Australia, Brazil, China, India, Japan, South Africa, Türkiye, the United States and the European Union.

Note: Trailing four quarters (T4Q) growth measures the change in a variable over the last four quarters (Q4-2024 to Q3-2025) compared to the previous four quarters (Q4-2023 to Q3-2024). Quarterly growth (QoQ) is the quarter-over-quarter growth rate between Q2 2025 and Q3 2025. Data are seasonally adjusted. LNG stands for liquified natural gas, and ICT stands for information and communication technology.

Through this publication,
UNCTAD provides valuable insights
into current and emerging trade policy
issues and their impact
on economic development in a fast
changing global trade context.

