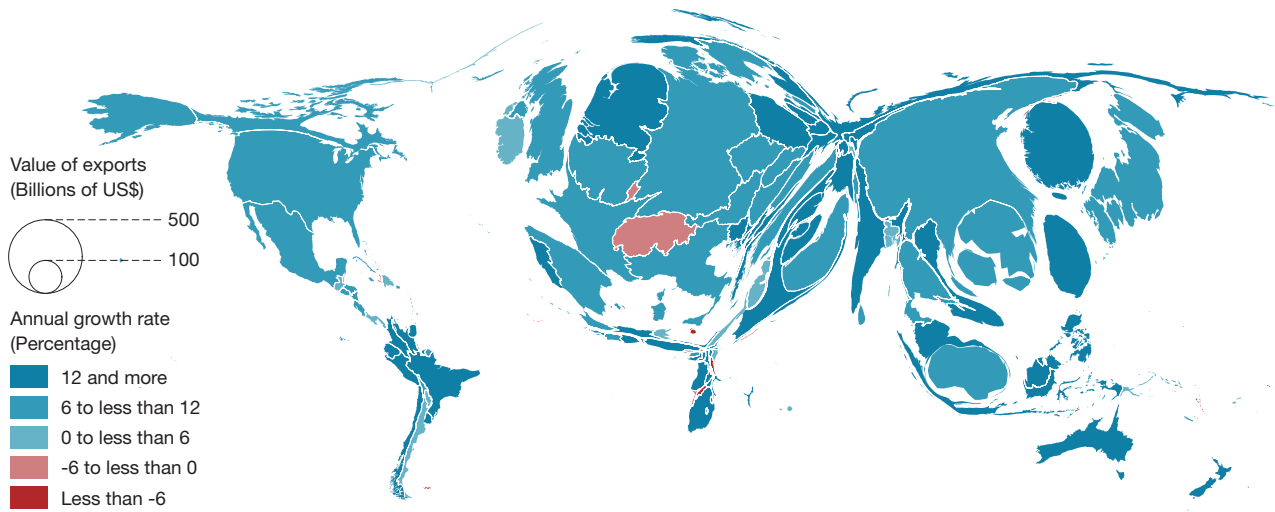




Fact sheet #1: Total merchandise trade

Map 1 | Total merchandise exports, 2017



Concepts and definitions

The figures on international merchandise trade in this chapter measure the value of goods which add or subtract from the stock of material resources of an economy by entering or leaving its territory (United Nations, 2011). This definition is slightly different from the definition of trade in goods in the balance-of-payments framework (see UNCTAD Handbook of Statistics 2018, chapter 3.2).

The value of exports is mostly recorded as the free-on-board (FOB) value, whereas the value of imports includes cost (for clearance), insurance and freight (CIF).

The trade balance is calculated as the difference between the values of exports and imports.

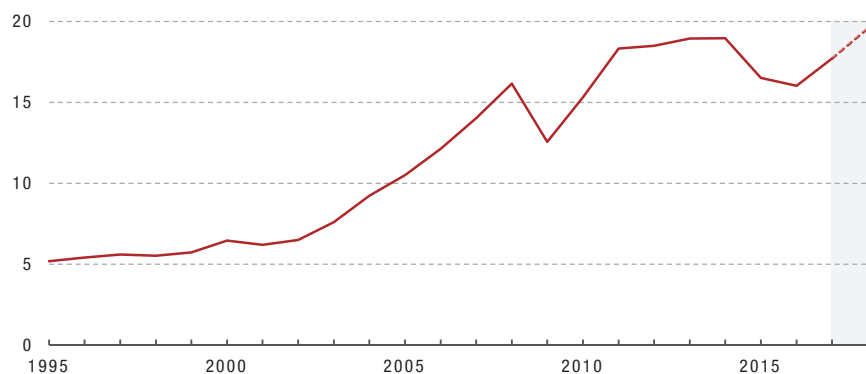
Global trends and patterns

In 2017, world merchandise trade returned to substantial growth, after two years of decline. Exports amounted to US\$17.7 trillion, increasing by 10 per cent from 2016. In 2018, exports are nowcast to reach a record high of US\$19.6 trillion.

Most economies in the world contributed to the surge in international merchandise trade, except for Switzerland-Liechtenstein, Luxembourg, Jordan, the Democratic People's Republic of Korea and some African and small-island economies.

Among the main exporting economies, particularly strong increases were recorded for 2017 in the Republic of Korea (15.8 per cent) and the Netherlands (14.1 per cent). The world's top-four exporters, China, the United States of America, Germany and Japan, all experienced growth rates between 6 and 9 per cent.

Figure 1 | World merchandise exports (Trillions of United States dollars)



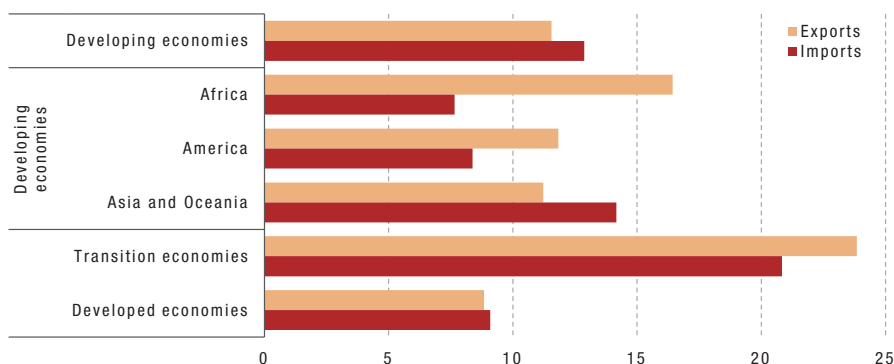
Note: The shaded area indicates UNCTAD nowcasts. For the methodology, see UNCTAD Handbook of Statistics 2018, annex 6.3.



Different exposure to the upswing in trade

Transition economies recorded a particularly vigorous increase in exports (24 per cent) and imports (21 per cent). In the developing economies of Africa and America, the upswing in world trade manifested itself mainly on the export side; African exports (16 per cent) increased at double the rate of imports. By contrast, in the developing economies of Asia and Oceania, imports increased faster than exports. In developed economies, exports and imports rose comparatively moderately, each by around 9 per cent.

Figure 2 Merchandise trade annual growth rates, 2017
(Percentage)



Merchandise exports nowcast
US\$19.6 trillion
in 2018



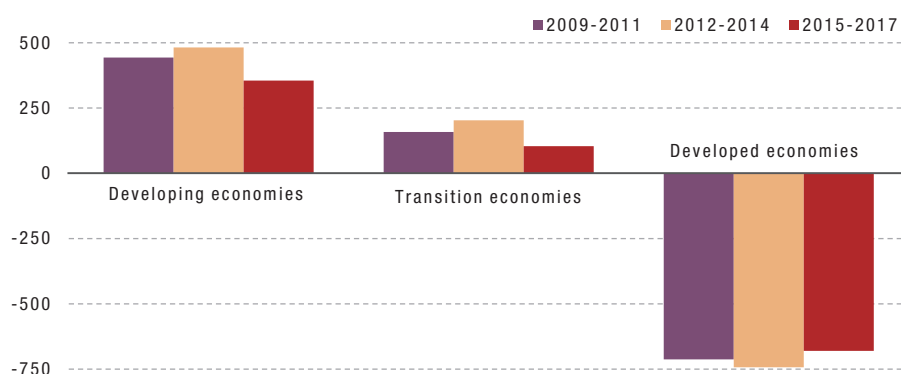
Recent upswing of exports spread over almost the entire world



Development of global trade imbalances

The monetary value of the goods which developing and transition economies export to the world is greater than the value of the goods they import. For developed economies the opposite is the case. Nevertheless, from 2015 to 2017, the average annual surplus for developing economies of US\$355 billion was already US\$127 billion less than during the preceding three years. Meanwhile, the annual deficit for developed economies reduced from US\$742 billion to US\$680 billion. All in all, North-South trade has become more balanced.

Figure 3 Merchandise trade balance (three-year average)
(Billions of United States dollars)



Africa's exports increased at double the pace of imports



Imbalance in North-South trade decreasing



For references, see UNCTAD Handbook of Statistics 2018, annex 6.4.