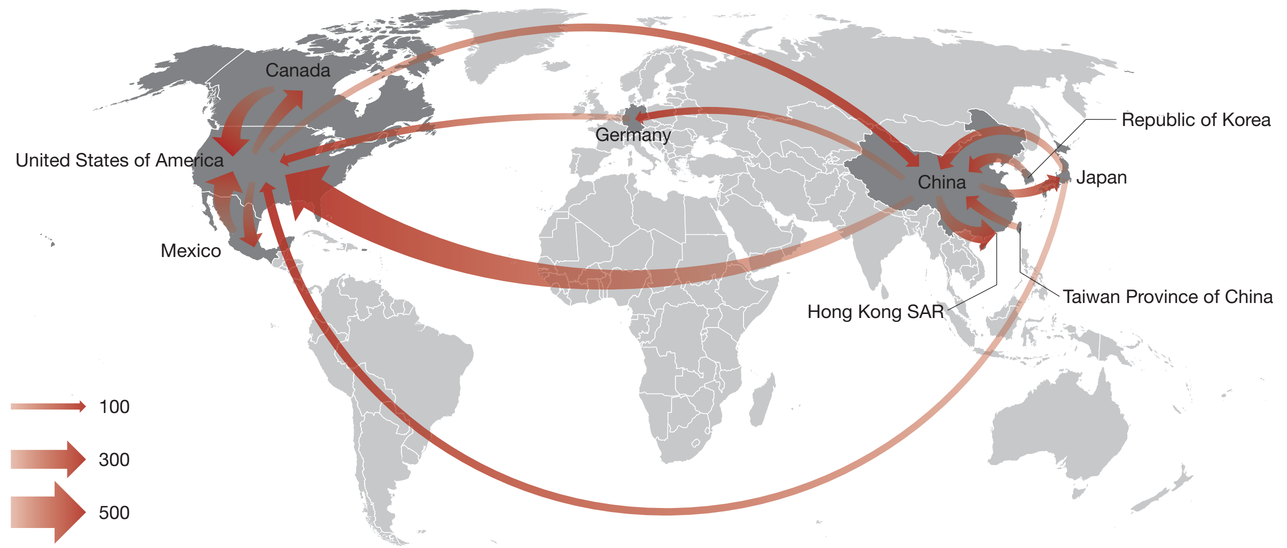
Fact sheet #2: Trade structure by partner

Map 1 **Main world import flows, 2017**
(Billions of United States dollars)



Note: Bilateral imports of US$100 billion or more are shown.

Concepts and definitions

Intra-trade is the trade between economies belonging to the same group. Extra-trade is the trade of economies of the same group with all economies outside the group. It represents the difference between a group's total trade and intra-trade.

In theory, the exports from an economy A to an economy B, should equal the imports of economy B from economy A recorded FOB. In practice, however, the values of both flows are often different. The reasons for these trade asymmetries comprise: different times of recording, different treatment of transit trade, underreporting, measurement errors and mis-pricing or mis-invoicing.

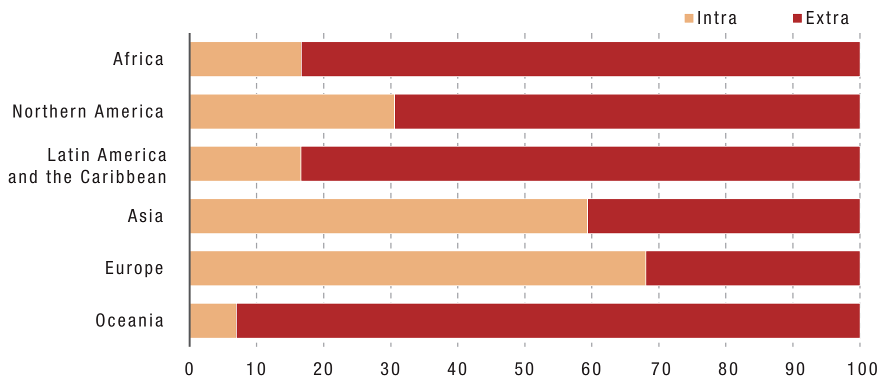
The exports to (imports from) all economies of the world do not always exactly add up to total exports (imports). The difference is caused by ship stores, bunkers and other exports of minor importance.

Shape of the global trade network

The world's largest bilateral flows of merchandise trade run between China and the United States of America, and between their respective neighboring economies. In 2017, goods worth US$526 billion were imported by the United States from China. Goods worth US$154 billion also travelled in the opposite direction. China's trade with Hong Kong Special Administrative Region (SAR), Japan, Taiwan, Province of China, and the Republic of Korea totaled US$1.1 trillion. The United States' trade with Mexico and Canada was worth almost the same amount (US$1.0 trillion).

At a continental level, intra-region trade was most pronounced in Europe. In 2017, 68 per cent of all European exports were exported to trading partners on the same continent. In Asia, this rate was 59 per cent. By contrast, in Oceania, Latin America and the Caribbean, Africa and Northern America, most trade was extra-regional.

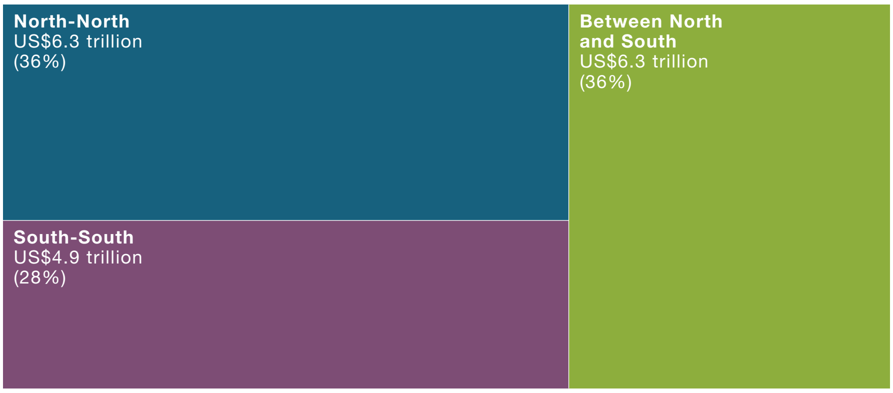
Figure 1 **Intra- and extra-group exports, 2017**
(Percentage of total exports)



Trade within and between 'hemispheres'

In 2017, of the total US$17.7 trillion of global merchandise trade, US$6.3 trillion were exchanged between developed economies (North-North trade), whereas trade among developing and transition economies (South-South trade) accounted for US$4.9 trillion. The remaining US$6.3 trillion were comprised of exports from developed to developing economies and in the opposite direction (North-South, and South-North trade). Thus, for developed economies, trade with developing economies was as important as trade with developed.

Figure 2 | **Global trade flows, 2017**



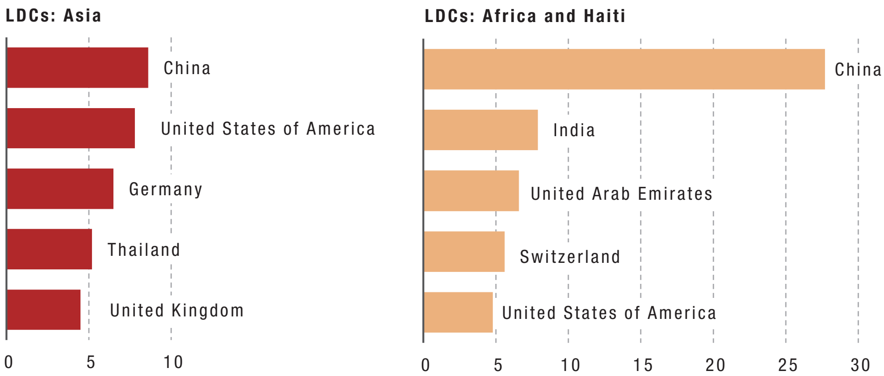
Note: North refers to developed economies; South, to developing and transition economies. Trade is measured from the export side.

With whom do developing economies mainly trade?

In 2017, developing economies shipped most of their exports to the United States of America (US$1.3 trillion), and then to China (US$1.0 trillion) and other Asian economies. They also sourced most of the imports from the same economies.

For least developed countries (LDCs), the top export destination was China. LDCs in Africa and Haiti delivered goods worth US$28 billion to China, more than to any other economy in the world. Exports of LDCs in Asia were more oriented towards the United States of America and Europe.

Figure 3 | **LDCs' main export destinations, 2017**
(Billions of United States dollars)



In 2017, **China** and the **United States** of America both **traded goods** worth

US$1 trillion with their **neighbours**

North traded as much **with the South as with the North**:

Most **European** and **Asian** trade is **intra-regional**

China is the **main** export **destination** for goods **from LDCs in Africa and Haiti**: