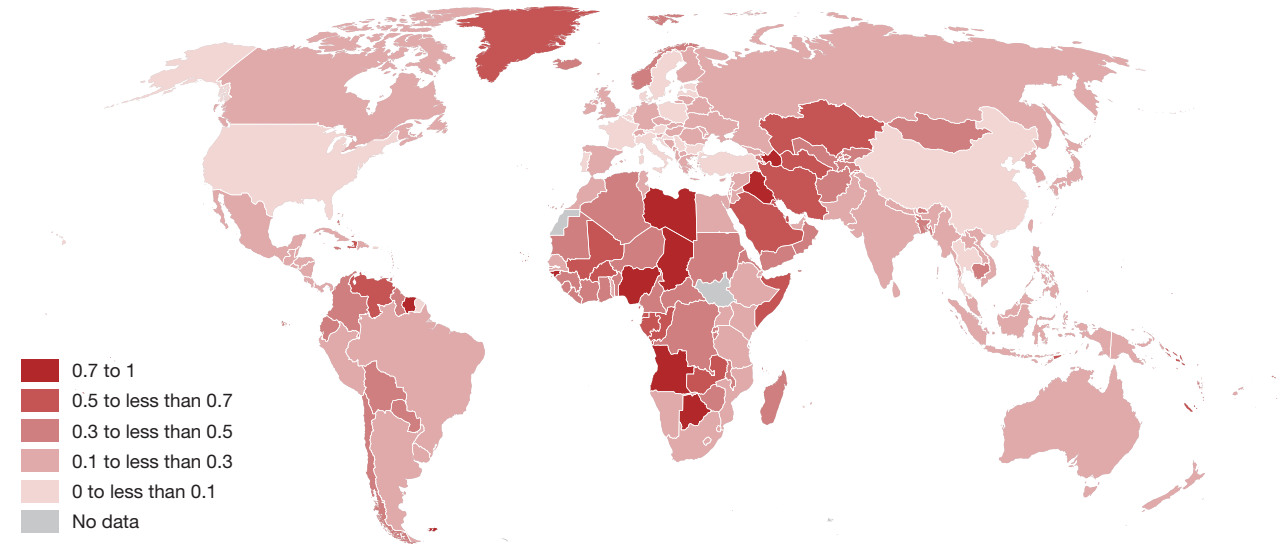




Fact sheet #4: Trade indicators

Map 1 | Product concentration index of exports, 2017



Note: This index measures the extent to which a large share of exports is accounted for by a small number of product groups. The index has a value of 1 when an economy exports only one group of products and a value of 0 if all product groups are equally represented.

Concepts and definitions

This section presents different indices that can be used to analyze trade flows and trade patterns, for example, from the perspective of relative competitiveness, the structure of global exports and imports markets, or the importance of trade for the economy, both for individual economies and for groups of economies, over time.

Information on how the indices in this section are calculated is provided in annex 6.3. The indices represent a subset of the trade indices contained in UNCTADstat (UNCTAD 2018a).

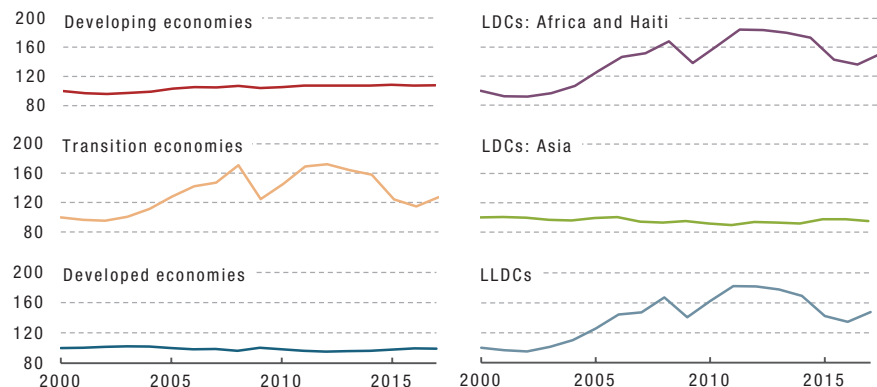
How concentrated was the structure of exports?

In 2017, the highest concentration of product exports was recorded by the main petroleum exporting economies in Africa and Central and Western Asia as well as for several economies with strong reliance on the extraction of minerals, such as Botswana, Zambia and Mali. The exports of developed economies and of developing economies in Eastern and South-Eastern Asia were more diversified.

How did the prices of exports and imports develop?

For transition economies, landlocked developing countries (LLDCs) and LDCs in Africa and Haiti, the relative price of exports to imports increased by around 10 per cent in 2017, after four to five years of decline. By contrast, for Asian LDCs and for developing economies as a whole, the terms of trade remained almost unchanged.

Figure 1 | Terms of trade index (2000=100)



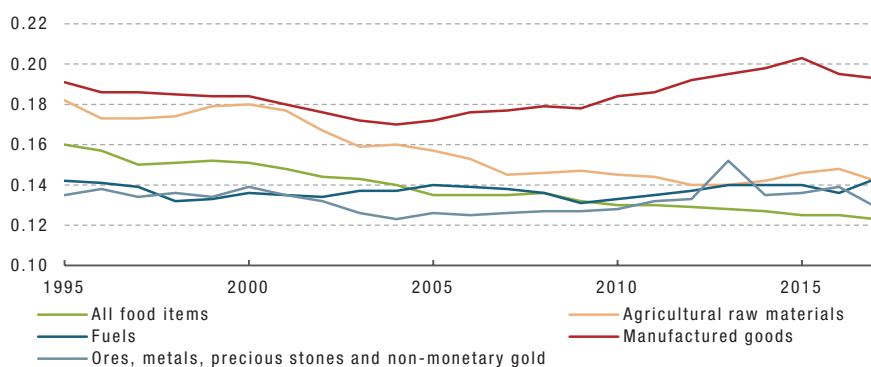
Note: This index indicates by how much the relative price between exports and imports has increased in relation to the base year.



How concentrated is global product supply?

Of the different product groups, the supply of manufactured goods is the most unequally distributed among economies of the world. This is indicated by a market concentration index of 0.19 in 2017, compared with index values of between 0.12 and 0.15 for exports of food, agricultural raw materials, ores, metals, precious stones, non-monetary gold and fuels. It is noteworthy that the market concentration of manufactured goods exports fell over the last two years, after a continuous increase from 2004 to 2015.

Figure 2 | Market concentration index of exports

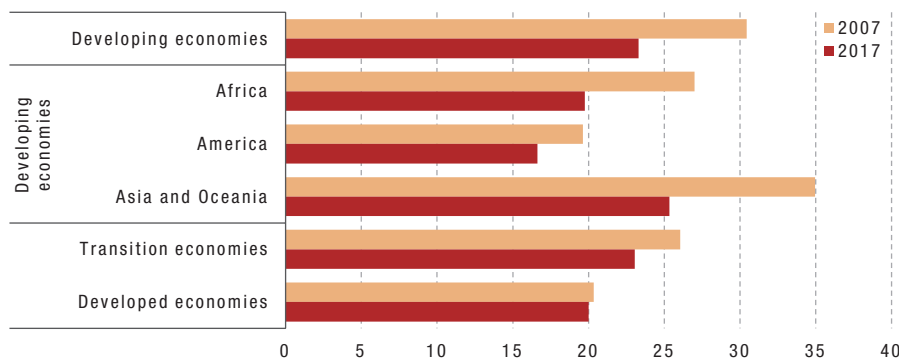


Note: This index measures the extent to which a high proportion of exports are delivered by a small number of economies. It has a value of 1 if all exports originate from a single economy.

How important is trade for economies?

Over the last ten years, in developing and transition economies, international trade in goods has significantly lost importance in relation to domestic production. Developing economies in Asia and Oceania showed a particularly strong decline in the ratio of exports and imports to gross domestic product (GDP), indicated by a fall in the trade openness index from 35 to 25 per cent between 2007 and 2017. Nevertheless, in 2017 their exposure to trade was still high compared with other groups of developing economies and with transition and developed economies.

Figure 3 | Trade openness index (Percentage)



Note: This index measures the relative importance of international trade in goods relative to the domestic economic output of an economy. Exports are given equal weight to imports.

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

High product concentration of exports in petroleum exporting economies



Terms of trade for LLDCs and LDCs in Africa and Haiti improved by 10% in 2017



High, yet decreasing market concentration of manufacturing exports



Trade openness declining fastest in developing economies of Asia and Oceania

