



CPB Memo

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Subject: CPB World Trade Monitor July 2014

Developments in international trade and industrial production

- July 2014: world trade up 1.4% month on month, following a 0.3% increase in June.
- July 2014: world industrial production up 0.5% month on month, following a 0.1% increase in June.

World trade volume

Based on preliminary data, the volume of world trade rose 1.4% in July from the previous month, following a 0.3% increase in June (initial estimate: 0.1%). Trade volume growth turned positive in advanced economies at both the import and export side. Apart from import growth in Japan, trade volume growth accelerated in all major advanced regions. In emerging economies, export growth surged, but import growth turned negative.

Because of the volatility of monthly trade figures, momentum is the preferred measure of trade growth.¹ Trade momentum rose to 1.1% in July (non-annualised) from 0.7% in June. Advanced economies' import and export momentum did not change from the previous month. In emerging economies, import momentum became less negative and export momentum became more positive.

World industrial production

According to preliminary data, world industrial production rose 0.5% in July, following a 0.1% increase in June (initial estimate 0.0%). Production expanded at nearly the same pace in advanced economies and emerging economies. Apart from the flat reading for the aggregate *other advanced economies*, production growth was positive in all major regions, including the Euro Area, where production growth turned positive after two months of contraction.

Global production momentum was 0.4% in July (non-annualised), equal to the June number and below the long-term average, which is 0.7%. Momentum in advanced economies continued to decrease in July, as it has done since March this year. It turned negative in June. In emerging economies momentum was slightly up from the previous month, as it was in June.

The next release of the CPB World Trade Monitor is scheduled tentatively for 24 October 2014. The WTM database in Excel format is available at:

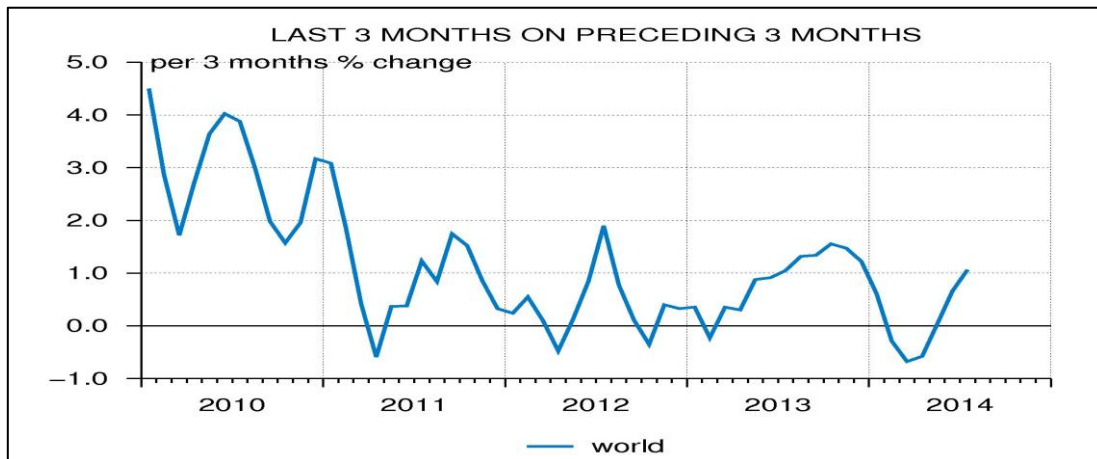
<http://www.cpb.nl/en/world-trade-monitor>

¹ Momentum is the change in the three months average up to the report month relative to the average of the preceding three months.

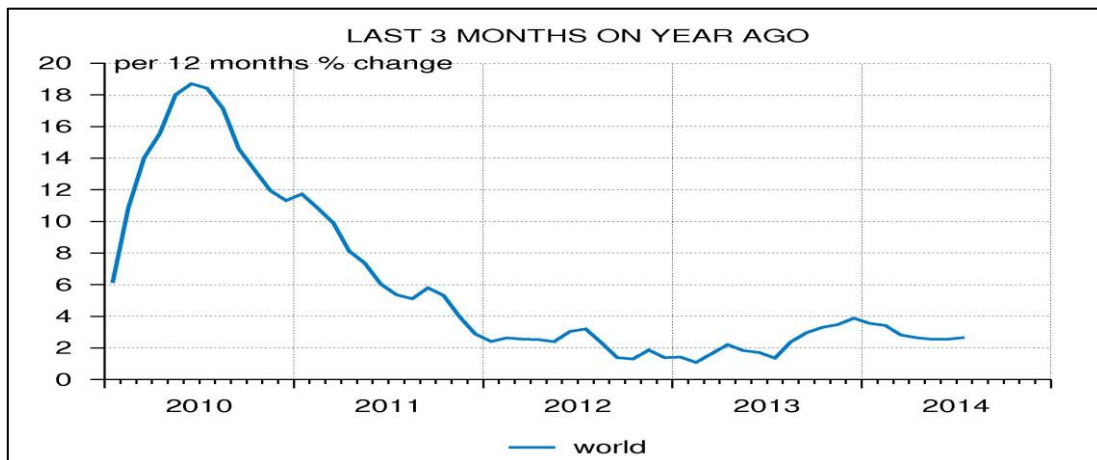
WORLD MERCHANDISE TRADE, CHART 1



WORLD MERCHANDISE TRADE, CHART 2



WORLD MERCHANDISE TRADE, CHART 3

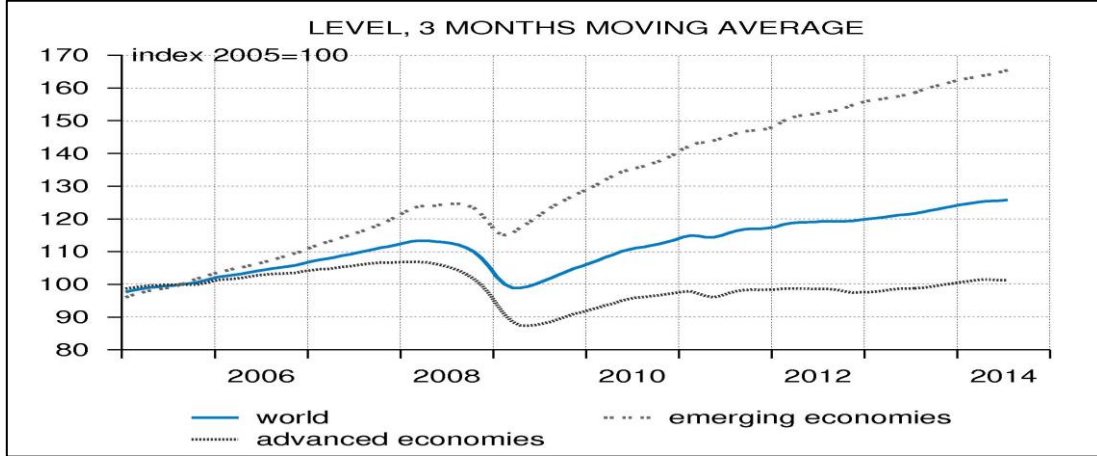


WORLD MERCHANDISE TRADE (percentage changes)

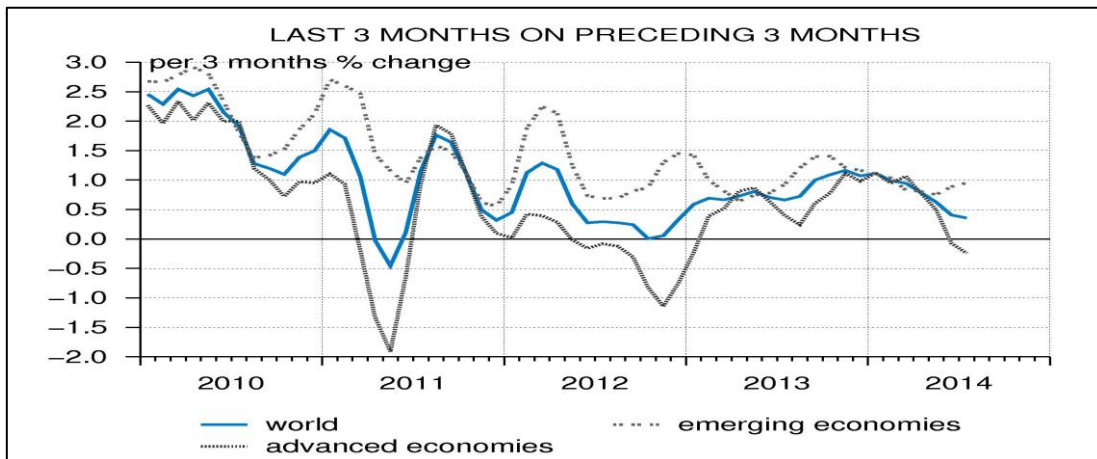
	year on year			quarter on quarter			momentum (a)		month on month		
	2011	2012	2013	2013q4	2014q1	2014q2	2014m06	2014m07	2014m05	2014m06	2014m07
Volumes (s.a.)											
World trade	6.1	2.1	2.6	1.2	-0.7	0.7	0.7	1.1	-0.5	0.3	1.4
World imports	6.2	2.1	2.6	1.0	-0.2	-0.1	-0.1	0.3	-1.1	1.0	0.6
Advanced Economies	3.5	-0.4	-0.3	0.6	0.3	0.9	0.9	0.9	-0.2	-0.4	1.3
United States	4.0	2.8	0.8	0.9	-0.1	2.6	2.6	1.1	-0.6	-1.6	1.1
Japan	4.9	3.5	1.6	1.6	4.5	-7.0	-7.0	-4.9	-2.6	3.6	-1.3
Euro Area	2.9	-3.5	-0.7	0.4	0.3	0.9	0.9	0.9	-0.1	-0.5	1.6
Other advanced economies	3.9	1.5	-1.7	0.3	-0.8	2.3	2.3	2.8	1.1	-0.2	2.0
Emerging economies	9.4	4.8	5.8	1.5	-0.7	-1.2	-1.2	-0.4	-2.1	2.4	-0.2
Asia	7.3	3.4	5.2	2.7	-3.5	-0.9	-0.9	0.1	-3.6	4.0	0.9
Central and Eastern Europe	14.7	3.7	4.6	1.4	-0.1	-2.1	-2.1	-1.5	-1.4	0.7	-2.4
Latin America	11.4	6.2	9.4	-2.0	4.3	-2.2	-2.2	-0.2	0.3	0.6	-0.1
Africa and Middle East	9.3	8.8	6.4	0.6	3.3	-0.5	-0.5	-0.7	-0.5	0.8	-1.1
World exports	5.9	2.1	2.5	1.4	-1.2	1.4	1.4	1.9	0.1	-0.2	2.3
Advanced Economies	4.8	0.5	1.2	0.4	-0.4	0.4	0.4	0.4	0.0	-0.6	1.2
United States	7.4	3.9	2.6	2.7	-3.2	2.4	2.4	3.2	1.2	0.4	1.4
Japan	-0.8	-1.3	-1.4	1.5	-1.0	-1.2	-1.2	-2.0	-2.2	-0.3	2.2
Euro Area	5.2	0.4	0.3	0.1	0.3	0.7	0.7	0.0	-0.1	-1.2	0.7
Other advanced economies	4.8	-1.2	3.7	-1.4	0.6	-1.3	-1.3	0.0	0.0	0.0	2.1
Emerging economies	7.1	3.8	3.9	2.4	-1.9	2.4	2.4	3.3	0.3	0.1	3.3
Asia	8.1	3.4	5.8	3.5	-3.7	4.8	4.8	5.3	0.6	0.6	3.5
Central and Eastern Europe	9.0	4.1	1.4	1.7	0.3	-0.2	-0.2	0.9	-1.2	-1.6	5.6
Latin America	5.5	6.0	5.2	1.5	-1.8	-0.1	-0.1	0.3	0.4	0.4	0.4
Africa and Middle East	1.8	3.8	-3.2	-1.6	4.4	-3.6	-3.6	-1.0	0.4	-0.2	1.4
Prices / unit values in USD (s.a.)											
World trade	12.6	-1.9	-1.0	0.5	0.6	-0.3	-0.3	-0.5	-0.3	0.2	-0.3
World imports	12.8	-1.6	-1.3	0.4	0.7	-0.1	-0.1	-0.3	-0.1	0.2	-0.3
Advanced Economies	13.3	-2.0	-0.2	1.2	0.5	-0.6	-0.6	-0.7	-0.5	0.5	-0.3
United States	10.9	0.3	-1.1	-0.9	1.0	0.4	0.4	0.1	0.3	0.2	-0.3
Japan	17.6	-0.3	-7.4	2.2	-4.8	-1.1	-1.1	1.5	1.9	1.0	1.1
Euro Area	14.1	-3.8	1.8	1.9	1.2	-1.2	-1.2	-1.7	-1.4	0.5	-0.6
Other advanced economies	12.4	-1.0	-0.3	1.7	0.8	0.0	0.0	-0.3	-0.4	0.3	-0.4
Emerging economies	12.3	-1.2	-2.5	-0.3	0.9	0.4	0.4	0.1	0.2	-0.1	-0.2
Asia	13.8	0.3	-2.3	-0.8	2.2	0.4	0.4	0.2	0.6	0.0	-0.6
Central and Eastern Europe	10.1	-4.3	-1.8	0.2	-1.4	0.7	0.7	0.4	0.4	-0.5	0.3
Latin America	10.4	-2.8	-5.1	-0.3	0.3	0.4	0.4	0.2	-0.5	-0.1	0.0
Africa and Middle East	11.3	-1.4	-2.1	0.2	0.1	0.1	0.1	-0.4	-0.1	-0.3	-0.3
World exports	12.4	-2.2	-0.7	0.6	0.5	-0.6	-0.6	-0.7	-0.5	0.2	-0.3
Advanced Economies	11.3	-3.1	0.6	1.7	0.5	-0.4	-0.4	-0.9	-0.7	0.2	-0.5
United States	8.1	0.4	-0.4	-0.3	1.4	-0.3	-0.3	-0.6	0.1	-0.5	0.1
Japan	7.8	-1.7	-9.2	-0.7	-3.1	0.5	0.5	1.5	1.3	2.1	-1.4
Euro Area	11.2	-4.7	3.0	2.9	0.8	-0.5	-0.5	-1.2	-1.3	0.4	-0.6
Other advanced economies	15.3	-2.5	-0.5	2.0	0.0	-0.5	-0.5	-1.2	-0.8	-0.4	-0.2
Emerging economies	13.7	-1.2	-2.0	-0.5	0.6	-0.8	-0.8	-0.6	-0.3	0.3	-0.2
Asia	9.9	0.1	-1.2	0.3	0.8	-1.8	-1.8	-1.2	-0.5	0.3	0.0
Central and Eastern Europe	16.7	-3.1	0.0	0.3	-0.3	0.6	0.6	0.0	-0.5	0.4	-0.6
Latin America	16.2	-4.6	-4.3	-1.6	-0.6	2.3	2.3	2.9	0.8	0.1	1.9
Africa and Middle East	23.9	-1.7	-3.0	-2.2	-0.2	1.7	1.7	0.7	0.2	1.0	-1.9
World prices / unit values in USD											
Manufactures	7.7	-1.4	-0.5	0.8	0.5	-0.9	-0.9	-0.7	-0.6	0.1	0.5
Fuels (HWWI)	31.4	-0.4	-1.4	-2.4	-0.9	2.2	2.2	1.7	1.0	2.4	-3.0
Primary commodities ex. fuels (HWWI)	18.3	-12.8	-5.3	0.5	0.4	1.5	1.5	-1.2	-1.4	-2.1	-0.6
Fuels, real	22.0	1.0	-0.9	-3.1	-1.4	3.1	3.1	2.4	1.6	2.3	-3.5
Primary commodities ex. fuels, real	10.0	-11.5	-4.8	-0.3	-0.1	2.4	2.4	-0.5	-0.9	-2.2	-1.2

(a) Average of the three months up to the report month over average of the preceding three months.

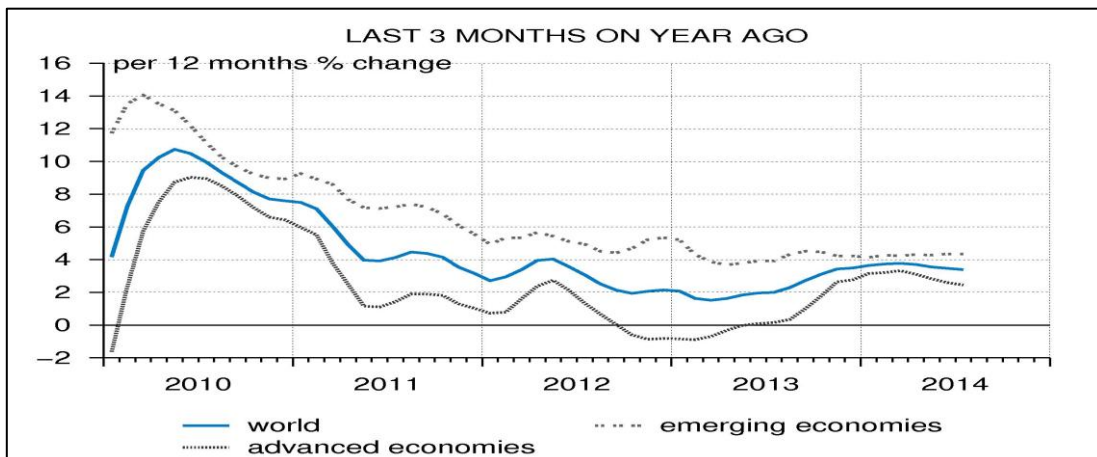
INDUSTRIAL PRODUCTION VOLUME, CHART 1



INDUSTRIAL PRODUCTION VOLUME, CHART 2



WORLD INDUSTRIAL PRODUCTION, CHART 3



WORLD INDUSTRIAL PRODUCTION (percentage changes)

	year on year			quarter on quarter			momentum (a)		month on month		
	2011	2012	2013	2013q4	2014q1	2014q2	2014m06	2014m07	2014m05	2014m06	2014m07
World (b)	4.4	2.8	2.4	1.1	0.9	0.4	0.4	0.4	-0.1	0.1	0.5
Advanced Economies	1.9	0.7	0.8	1.0	1.1	-0.1	-0.1	-0.2	-0.2	-0.3	0.5
United States	3.3	3.8	2.9	1.2	1.0	1.3	1.3	1.1	0.5	0.3	0.2
Japan	-2.8	0.1	-0.6	1.8	2.7	-3.6	-3.6	-3.0	0.6	-3.2	0.5
Euro Area	3.5	-2.4	-0.7	0.6	0.2	0.0	0.0	-0.4	-1.1	-0.4	1.0
Other advanced economies	0.9	0.7	0.3	0.5	1.3	0.0	0.0	-0.3	-1.0	0.9	0.0
Emerging economies	7.1	5.0	4.1	1.2	0.8	0.9	0.9	1.0	0.0	0.5	0.6
Asia	10.0	7.2	7.0	2.1	1.0	1.5	1.5	1.6	0.2	0.8	0.6
Central and Eastern Europe	6.5	2.1	1.5	1.0	0.3	0.6	0.6	0.4	-0.3	-0.1	0.9
Latin America	3.3	0.2	0.8	-0.4	-0.3	-0.5	-0.5	-0.7	-0.3	-0.8	0.6
Africa and Middle East	0.3	3.2	-2.8	-1.6	1.3	-0.7	-0.7	0.0	-0.2	0.6	0.5

(a) Average of the three months up to the report month over average of the preceding three months.
(b) Country data are weighted with shares in world production. Regional aggregates computed with shares in world imports are available in the xlsx file at the CPB website.