



CPB Memo

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Subject: CPB World Trade Monitor March 2014

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Developments in international trade and industrial production

- March 2014: world trade down 0.5% month on month, following a 0.7% decrease in February.
- March 2014: world trade down 0.8% in 2014Q1, following a 1.5% increase in 2013Q4.
- March 2014: world industrial production up 0.3% month on month, following a flat February.
- March 2014: world industrial production up 0.8% in 2014Q1, following a 1.2% increase in 2013Q4.

World trade volume

Based on preliminary data, the volume of world trade declined 0.5% in March from the previous month, following a 0.7% decrease in February (same as initial estimate). The decline in import volume is concentrated in the emerging economies, with falls both in Asia and Central and Eastern Europe. A remarkable increase is visible for Japan, whereas the United States also shows a positive number. On the export side the picture was more negative. Export volume fell in advanced economies as a whole, with a decline in both Japan and the Euro Area. Export volume in emerging economies registered a decline for a fourth month in a row, despite of a remarkable recovery in Central and Eastern Europe.

Because of the volatility of monthly trade figures, momentum is the preferred measure of trade growth.¹ Trade momentum slumped from -0.3% in February to -0.8% in March (non-annualised). Momentum declined both in advanced and emerging economies, especially on the export side. Import and export momentum remained negative in the United States and were both negative in emerging Asia as well. Export momentum recovered in Central and Eastern Europe.

World industrial production

According to preliminary data, world industrial production grew 0.3% in March, following a standstill in February (initial estimate: 0.1%). Production continued expanding in advanced economies as a whole, in spite of a drop in the Euro Area. Growth in emerging economies turned positive again despite of a substantial decline in Africa and Middle East.

Global production momentum receded to 0.8% in March (non-annualised), still above the long-term average (0.7%). The decrease was concentrated in emerging economies with the largest declines occurring in emerging Asia and Africa and Middle East.

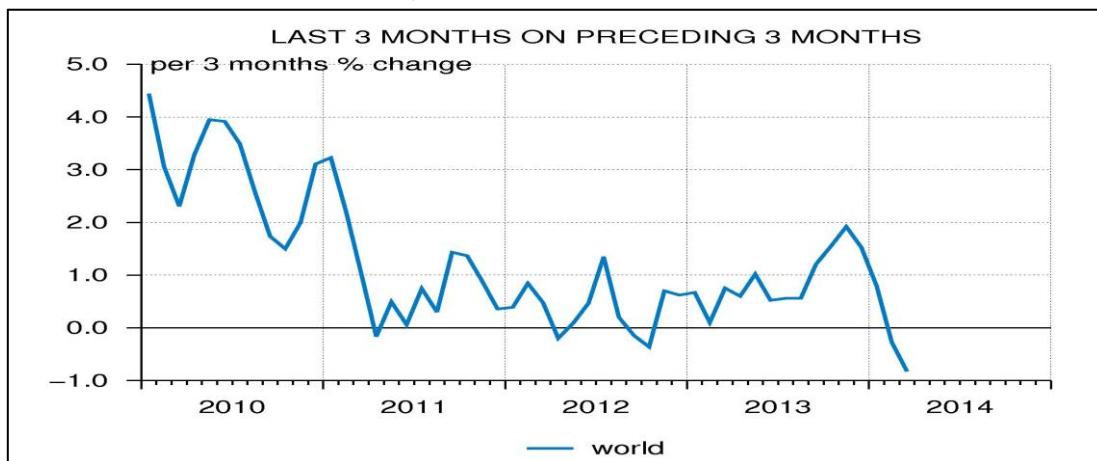
The next release of the CPB World Trade Monitor is scheduled tentatively for 24 June 2014. The WTM database in Excel format is available at: <http://www.cpb.nl/en/world-trade-monitor>

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

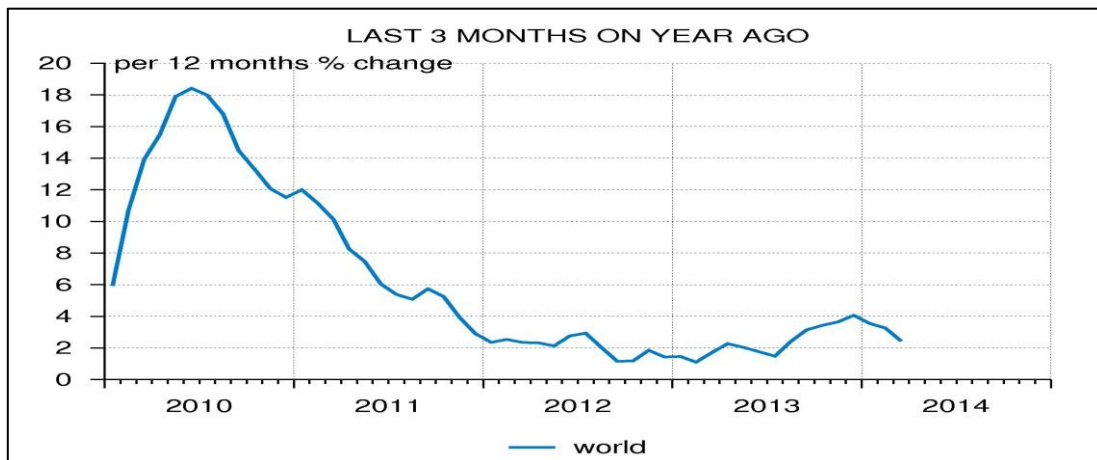
WORLD MERCHANDISE TRADE, CHART 1



WORLD MERCHANDISE TRADE, CHART 2



WORLD MERCHANDISE TRADE, CHART 3

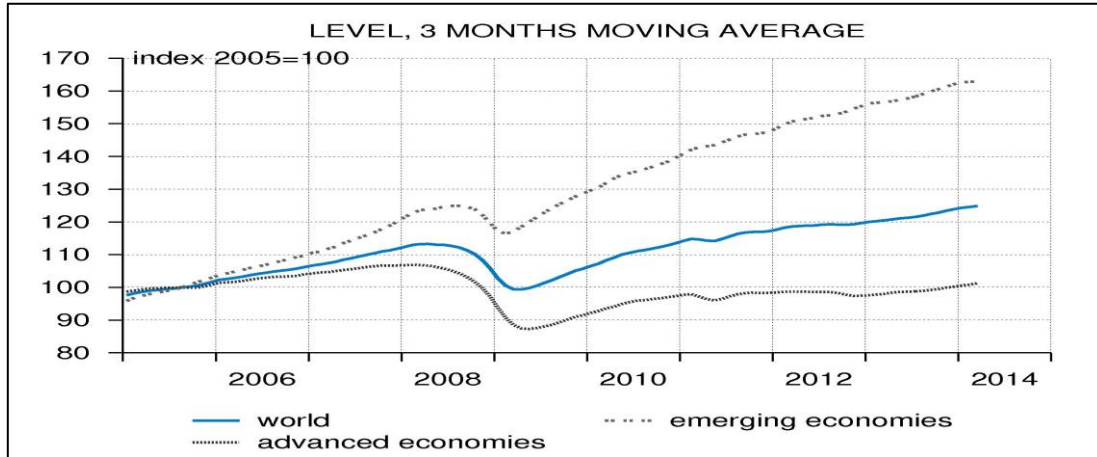


WORLD MERCHANDISE TRADE (percentage changes)

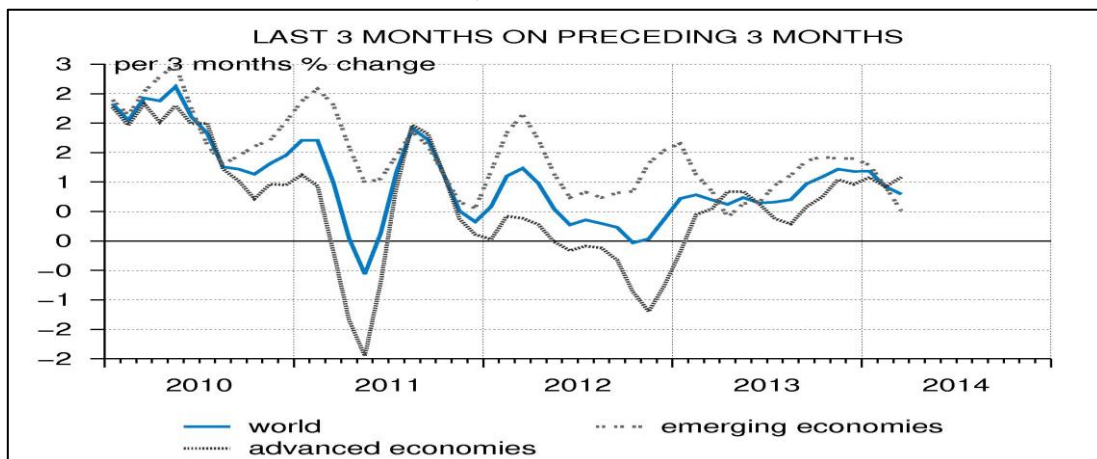
	year on year			quarter on quarter			momentum (a)		month on month		
	2011	2012	2013	2013q3	2013q4	2014q1	2014m02	2014m03	2014m01	2014m02	2014m03
Volumes (s.a.)											
World trade	6.1	1.9	2.7	1.2	1.5	-0.8	-0.3	-0.8	0.3	-0.7	-0.5
World imports	6.2	1.9	2.8	1.5	1.3	-0.1	0.3	-0.1	0.6	-0.8	-0.1
Advanced Economies	3.6	-0.3	-0.4	0.9	0.4	0.0	-0.3	0.0	0.8	-0.8	0.7
United States	4.0	2.8	0.8	1.1	1.0	-0.3	-0.6	-0.3	0.6	-1.6	1.4
Japan	4.9	3.5	1.6	2.4	1.6	4.5	1.7	4.5	5.1	-4.9	8.2
Euro Area	2.9	-3.4	-0.9	0.9	0.1	0.1	-0.1	0.1	0.9	0.3	-0.8
Emerging economies	9.2	4.5	6.2	2.0	2.1	-0.1	0.9	-0.1	0.4	-0.8	-0.9
Asia	7.2	3.6	5.9	2.6	3.5	-1.8	0.5	-1.8	-1.4	-1.2	-1.2
Central and Eastern Europe	14.4	3.4	5.6	1.3	2.2	-0.2	1.7	-0.2	2.2	-2.7	-3.0
Latin America	11.0	5.9	9.3	1.9	-1.8	1.2	-1.4	1.2	2.4	2.9	0.0
Africa and Middle East	9.4	7.3	6.0	1.1	0.5	4.0	2.5	4.0	3.0	-0.1	1.0
World exports	6.1	1.9	2.6	1.0	1.8	-1.6	-0.8	-1.6	0.0	-0.6	-0.9
Advanced Economies	4.9	0.6	1.0	0.1	0.4	-0.6	-0.7	-0.6	0.7	0.0	-0.8
United States	7.2	4.1	2.6	1.1	2.3	-2.8	-2.6	-2.8	0.2	-2.2	1.8
Japan	-0.8	-1.3	-1.4	-0.1	1.5	-1.0	0.1	-1.0	-2.5	4.3	-3.3
Euro Area	5.2	0.4	0.1	0.4	0.0	0.0	-0.4	0.0	1.0	0.7	-1.6
Emerging economies	7.4	3.3	4.2	1.8	3.2	-2.5	-1.0	-2.5	-0.8	-1.1	-0.9
Asia	8.5	2.8	5.4	2.6	4.7	-4.5	-1.6	-4.5	-2.7	-0.8	-2.2
Central and Eastern Europe	9.0	4.0	2.0	1.5	1.5	2.3	0.7	2.3	4.5	-5.0	6.0
Latin America	5.7	6.0	5.0	0.5	1.5	-0.5	-1.5	-0.5	0.8	1.5	0.3
Africa and Middle East	1.3	2.6	0.2	-1.0	-0.7	-0.4	0.4	-0.4	1.4	0.6	-4.5
Prices / unit values in USD (s.a.)											
World trade	12.6	-1.8	-0.9	0.2	0.4	0.4	0.5	0.4	-0.2	0.3	0.2
World imports	12.9	-1.6	-1.4	0.0	0.2	0.4	0.3	0.4	0.1	0.2	0.1
Advanced Economies	13.3	-2.0	-0.2	0.9	1.3	0.6	0.6	0.6	0.1	0.4	0.3
United States	10.9	0.3	-1.1	-0.1	-0.9	1.0	-0.1	1.0	0.4	1.1	0.4
Japan	17.6	-0.2	-7.4	2.5	2.7	-3.5	-2.6	-3.5	-0.5	0.5	-3.1
Euro Area	14.1	-3.8	1.8	1.3	1.9	1.2	1.5	1.2	-0.1	0.1	0.9
Emerging economies	12.4	-1.1	-2.6	-0.9	-0.9	0.2	0.0	0.2	0.0	0.1	-0.2
Asia	14.0	0.2	-2.4	-1.0	-1.9	0.7	0.3	0.7	0.6	0.1	-0.6
Central and Eastern Europe	10.0	-4.3	-1.7	-0.4	0.3	-1.6	-0.9	-1.6	-2.0	0.5	-0.3
Latin America	10.4	-2.8	-5.0	-2.7	-0.2	1.3	0.5	1.3	1.5	-0.9	1.4
Africa and Middle East	11.3	-1.2	-2.4	-0.2	0.4	-0.4	-0.2	-0.4	-0.7	0.4	0.0
World exports	12.2	-2.1	-0.4	0.4	0.5	0.5	0.7	0.5	-0.4	0.3	0.3
Advanced Economies	11.1	-3.2	0.8	0.4	1.7	0.6	1.0	0.6	-0.6	0.2	1.0
United States	8.1	0.4	-0.4	-0.6	-0.3	1.4	0.7	1.4	0.3	0.8	1.0
Japan	7.8	-1.7	-9.1	0.9	-0.7	-2.6	-3.1	-2.6	-1.4	0.2	0.5
Euro Area	11.2	-4.7	3.1	0.9	2.8	0.9	1.7	0.9	-0.7	0.0	1.4
Emerging economies	13.5	-1.0	-1.5	0.3	-0.6	0.4	0.5	0.4	-0.2	0.4	-0.5
Asia	9.5	0.7	-0.8	-0.9	-0.3	1.1	1.3	1.1	0.3	0.7	-0.7
Central and Eastern Europe	16.8	-3.3	0.2	2.4	0.7	-1.6	-0.6	-1.6	-1.3	-1.1	0.2
Latin America	16.2	-4.6	-4.4	-0.2	-1.6	-0.8	-1.1	-0.8	0.3	-0.4	-0.8
Africa and Middle East	24.1	-2.0	-2.4	3.5	-1.2	-0.9	-1.0	-0.9	-2.6	1.7	-0.2
World prices / unit values in USD											
Manufactures	7.7	-1.5	-0.5	-1.0	0.7	0.3	0.5	0.3	0.2	-0.1	0.1
Fuels (HWWI)	31.4	-0.4	-1.4	7.7	-2.4	-0.9	-1.2	-0.9	-3.0	2.3	-0.8
Primary commodities ex. fuels (HWWI)	18.3	-12.8	-5.3	-2.6	0.5	0.4	0.8	0.4	-1.1	0.8	0.6
Fuels, real	22.0	1.1	-0.9	8.7	-3.1	-1.2	-1.8	-1.2	-3.1	2.4	-1.0
Primary commodities ex. fuels, real	10.0	-11.5	-4.8	-1.7	-0.2	0.1	0.2	0.1	-1.3	0.9	0.5

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

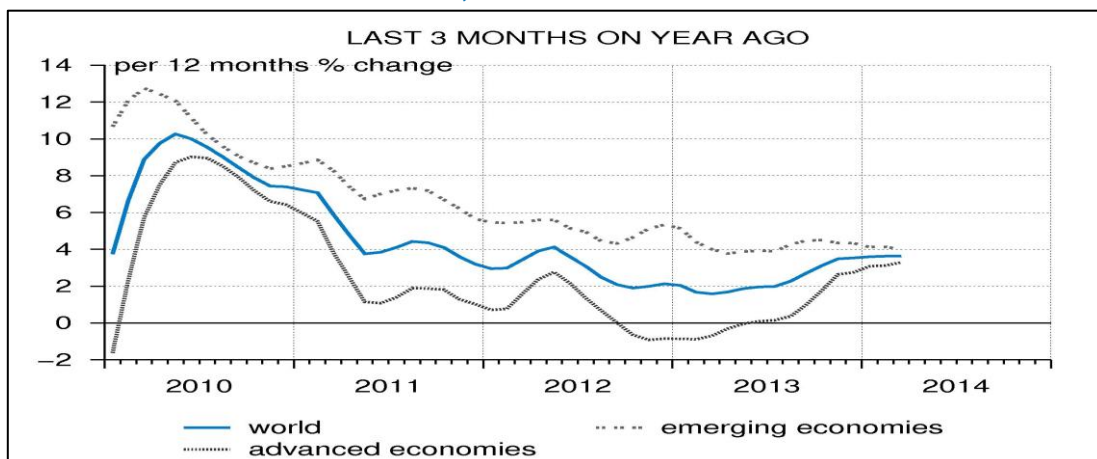
INDUSTRIAL PRODUCTION VOLUME, CHART 1



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	2013q3	2013q4	2014q1	2014m02	2014m03	2014m01	2014m02	2014m03
World (b)	4.3	2.8	2.5	1.0	1.2	0.8	0.9	0.8	0.4	0.0	0.3
Advanced Economies	1.9	0.7	0.8	0.6	1.0	1.1	0.9	1.1	0.5	0.3	0.4
United States	3.3	3.8	2.9	0.6	1.2	1.1	0.8	1.1	-0.2	1.1	0.9
Japan	-2.8	0.1	-0.6	1.6	1.8	2.8	2.4	2.8	3.4	-1.7	0.7
Euro Area	3.5	-2.4	-0.7	0.0	0.5	0.2	0.4	0.2	-0.1	0.2	-0.3
Emerging economies	7.0	5.1	4.2	1.4	1.4	0.5	0.9	0.5	0.3	-0.3	0.2
Asia	9.9	7.2	7.0	2.4	2.5	0.8	1.5	0.8	0.1	-0.6	0.9
Central and Eastern Europe	6.5	2.1	1.5	1.2	1.0	0.4	0.1	0.4	0.3	0.2	0.5
Latin America	2.9	0.1	0.9	-0.1	-0.3	-0.2	-0.7	-0.2	0.9	-0.2	-0.3
Africa and Middle East	0.3	3.2	-2.5	-1.7	-1.8	0.0	0.6	0.0	0.5	0.7	-2.8

(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.