

CPB Memo

CPB Netherlands Bureau for Economic Policy Analysis



Date : 26 April 2010
From : Jos Ebregt and Gerard van Welzenis
Subject : World trade monitor: February 2010

- **February 2010: world trade up by 1.8% month on month, after an upwardly revised 0.5% decrease in January.**

World trade volume

Based on preliminary data, world trade volume went up by 1.8% in February from the previous month, following a revised decrease of 0.5% in January (initial estimate: – 0.7%). Trade volumes increased worldwide, with the exception of imports of emerging economies in Asia. Export growth was highest in emerging economies, most notably in Asia and Latin America. In February, trade was 7% below the peak level reached in April 2008, but 16% above the trough reached in May 2009.

Monthly trade figures are volatile and focus on ‘momentum’ is therefore preferable.¹ In the three months up to February 2010, world trade was up by 5.3% from the preceding three months, slightly less than it was in the three months up to January, but then the January momentum figure is the highest in our series so far. For several months now, momentum has been consistently highest in Asia (Japan included) and Latin America, while in the Euro Area it has been lowest.

World trade prices

In the three months up to February 2010, dollar prices of world trade were up by 1.0% from the preceding three months. Dollar prices of traded manufactures declined by 2.0% in February, as a result of which their momentum turned negative as well.

World industrial production

On the basis of preliminary data, world industrial production grew by 1.0% in February 2010, following an equal increase in January. Production continues to grow strongly in Asia, with the notable exception of Japan, which registered a surprise drop of 1.1%. Growth in the other advanced economies was weak. In February, industrial production was 2.4% below the peak level reached in March 2008. It has risen by an accumulated 11% from the March 2009 trough.

The release of the next monitor is scheduled tentatively for 27 May 2010.

The trade database in excel format as well as an explanatory note on our world trade series are available at:

<http://www.cpb.nl/eng/research/sector2/data/trademonitor.html>

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

Figure 1: World merchandise trade, volume, seasonally adjusted

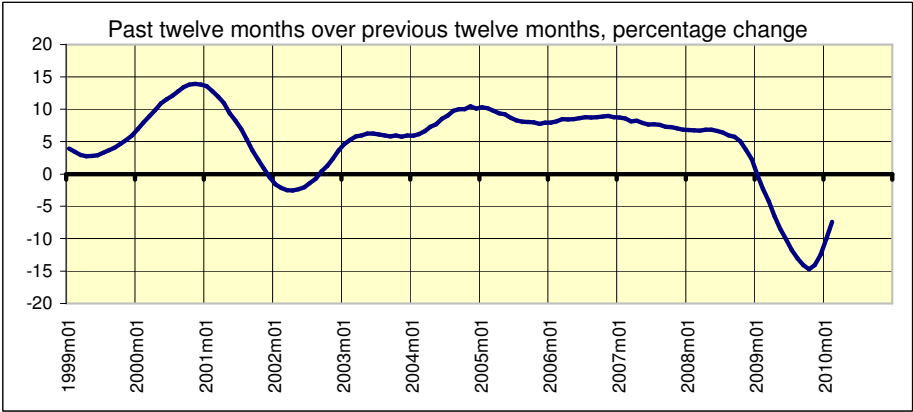
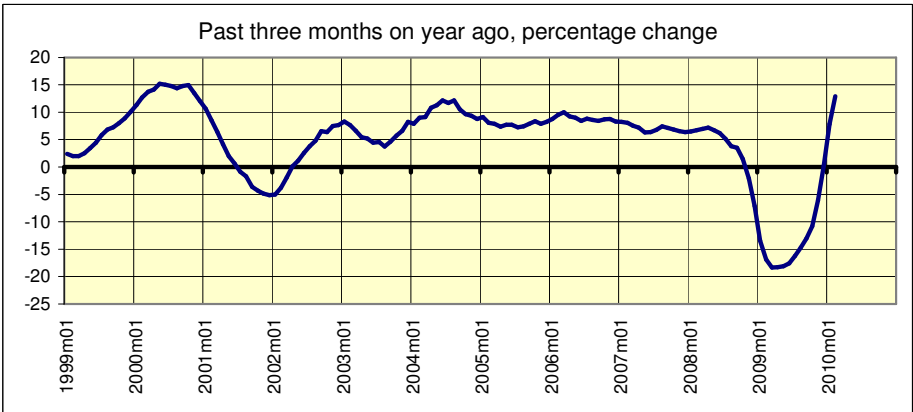
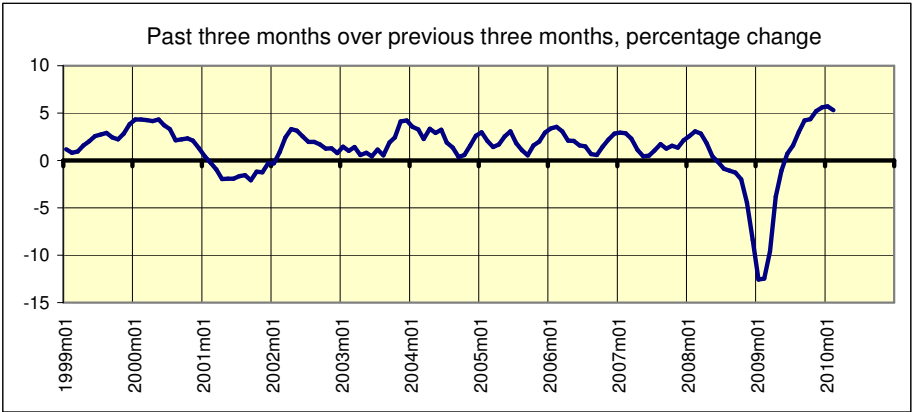
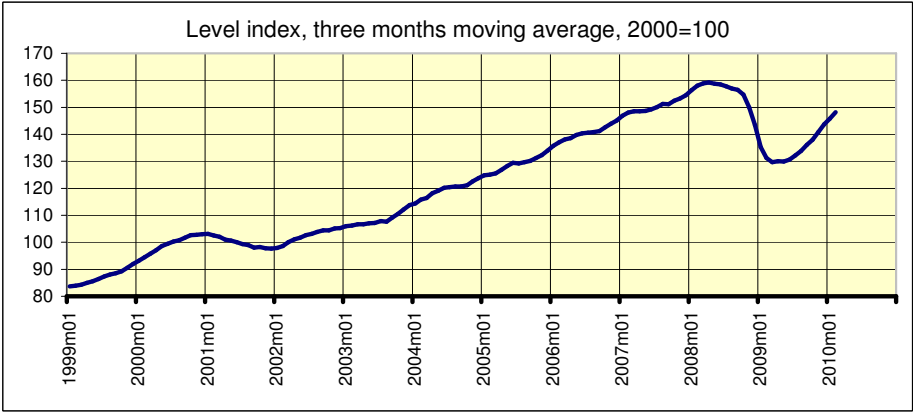


Table 1: World merchandise trade, percentage changes

	year on year			quarter on quarter			momentum (a)		month on month		
	2007	2008	2009	2009q2	2009q3	2009q4	2010m01	2010m02	2009m12	2010m01	2010m02
Volumes (s.a.)											
World trade	6.8	2.3	-12.5	0.7	4.2	5.6	5.7	5.3	3.7	-0.5	1.8
World imports	6.8	1.7	-12.4	0.3	5.4	5.3	5.5	4.6	3.4	-0.8	1.4
Advanced Economies (b)	2.5	-1.6	-14.7	-3.3	4.7	3.5	2.6	1.8	2.2	-1.9	1.4
United States	1.5	-3.4	-16.5	-6.4	6.5	6.5	6.2	4.7	5.5	-3.3	1.6
Japan	0.9	0.5	-14.0	0.4	6.9	1.4	2.3	1.9	0.0	1.5	1.8
Euro Area	4.1	-1.0	-13.8	-1.9	2.6	1.4	0.4	0.1	1.0	-1.4	1.0
Emerging economies	13.1	5.9	-9.6	4.9	6.1	7.4	8.7	7.8	4.7	0.4	1.5
Asia	10.4	3.4	-5.3	8.6	7.3	9.5	12.2	11.7	6.9	3.0	-0.2
Central and Eastern Europe	19.9	8.7	-22.2	-3.7	1.0	6.1	4.2	2.4	-0.8	-1.2	4.0
Latin America	10.9	7.1	-17.7	-0.2	6.8	8.1	12.3	12.0	9.8	-4.2	6.3
Africa and Middle East	17.8	11.6	-1.8	5.7	6.9	0.6	-1.8	-3.8	-1.1	-4.7	2.3
World exports	6.8	2.9	-12.6	1.1	3.1	5.9	6.0	6.0	4.0	-0.3	2.2
Advanced Economies (b)	4.2	0.7	-16.2	0.8	4.4	3.9	3.4	2.9	2.5	-1.2	1.7
United States	6.3	5.9	-14.0	-1.8	6.4	7.9	6.5	4.8	4.2	-1.4	0.5
Japan	9.5	1.8	-25.5	14.1	9.5	7.6	7.0	6.4	4.2	0.3	1.1
Euro Area	4.4	-0.4	-15.4	0.2	3.0	1.7	1.6	1.6	1.7	-1.4	2.2
Emerging economies	10.1	5.4	-8.6	1.4	1.9	8.0	8.6	9.1	5.5	0.7	2.7
Asia	12.0	6.2	-8.1	2.9	2.1	10.2	10.7	10.8	7.2	0.0	2.2
Central and Eastern Europe	11.9	5.7	-13.0	-1.5	2.9	6.5	5.1	4.5	2.2	0.1	2.7
Latin America	6.3	-1.1	-6.6	1.1	-1.3	3.8	6.8	8.5	5.8	-1.6	7.0
Africa and Middle East	1.9	5.9	-7.9	-2.6	2.2	1.6	3.2	5.3	-0.2	6.9	1.7
Prices / unit values in USD (s.a.?)											
World trade	7.6	12.6	-11.6	1.4	3.5	4.1	3.1	1.0	-0.1	0.2	-1.8
World imports	7.6	13.6	-12.0	0.6	2.5	3.3	2.6	0.9	0.0	0.2	-1.7
Advanced Economies (b)	8.9	12.9	-11.6	2.8	3.8	3.0	2.5	0.4	-0.9	1.3	-2.7
United States	4.2	11.3	-11.6	3.5	2.8	2.6	2.7	2.2	0.2	1.2	-0.2
Japan	6.2	21.5	-15.7	-7.3	0.0	9.7	13.0	11.6	1.6	5.9	-0.1
Euro Area	12.0	13.8	-12.1	3.0	5.5	3.3	1.9	-1.4	-1.2	0.2	-4.3
Emerging economies	6.3	15.1	-12.2	-1.8	0.9	4.0	3.1	1.9	1.2	-1.0	-0.4
Asia	4.9	14.4	-12.9	-1.5	0.6	5.6	4.8	3.4	2.3	-1.3	-0.5
Central and Eastern Europe	8.5	13.7	-11.8	2.7	5.1	2.3	1.6	0.0	-0.6	1.2	-2.6
Latin America	6.2	14.7	-8.8	-3.5	-0.5	3.0	2.5	1.9	0.9	-1.4	2.1
Africa and Middle East	6.4	18.6	-10.9	-4.7	-1.1	2.4	2.1	1.7	1.6	-1.3	-0.1
World exports	7.6	11.5	-11.1	2.2	4.5	4.8	3.6	1.0	-0.2	0.2	-1.8
Advanced Economies (b)	8.9	10.1	-7.7	1.5	3.8	3.0	1.9	-0.4	-1.0	0.8	-2.7
United States	4.7	5.9	-4.7	0.5	0.8	0.8	1.4	1.6	0.7	0.7	-0.4
Japan	0.9	7.3	-2.6	1.3	-0.6	7.6	9.3	7.0	-0.9	6.5	-1.7
Euro Area	12.4	10.7	-8.4	2.4	5.6	3.4	0.9	-2.7	-1.1	-1.1	-4.0
Emerging economies	6.3	13.4	-14.5	3.0	5.1	7.1	5.6	2.8	0.6	-0.3	-1.0
Asia	4.4	7.0	-8.2	-0.3	2.1	3.0	2.5	1.7	0.8	0.2	-0.4
Central and Eastern Europe	10.9	19.7	-18.4	5.0	7.3	5.6	3.8	1.1	-0.4	-0.1	-1.2
Latin America	6.9	15.0	-14.8	1.8	3.3	8.7	6.8	3.0	2.2	-3.0	-1.4
Africa and Middle East	10.5	24.7	-24.6	15.6	13.5	24.9	19.6	10.6	4.6	-2.9	-1.9
World prices / unit values in USD											
Manufactures	5.9	8.4	-6.8	0.4	2.7	2.5	1.6	-0.4	-0.9	0.5	-2.0
Energy (HWWI)	12.0	40.3	-37.0	29.4	14.5	10.3	8.2	4.6	-3.1	4.6	-3.5
Other raw materials (HWWI)	17.6	12.5	-21.9	10.6	9.0	8.4	8.0	6.6	3.7	1.5	-3.7
Energy, real (HWWI)	5.3	28.8	-32.0	28.8	11.6	7.6	6.5	5.1	-2.2	4.2	-1.6
Other raw materials, real (HWWI)	11.2	3.4	-16.0	10.1	6.2	5.8	6.3	7.1	4.7	1.1	-1.7

(a) Average of three months ending in current month over average of preceding three months.

(b) OECD countries excluding Turkey, Czech Republic, Slovak Republic, Hungary, Poland, Mexico and Korea.

Figure 2: World industrial production, volume, seasonally adjusted

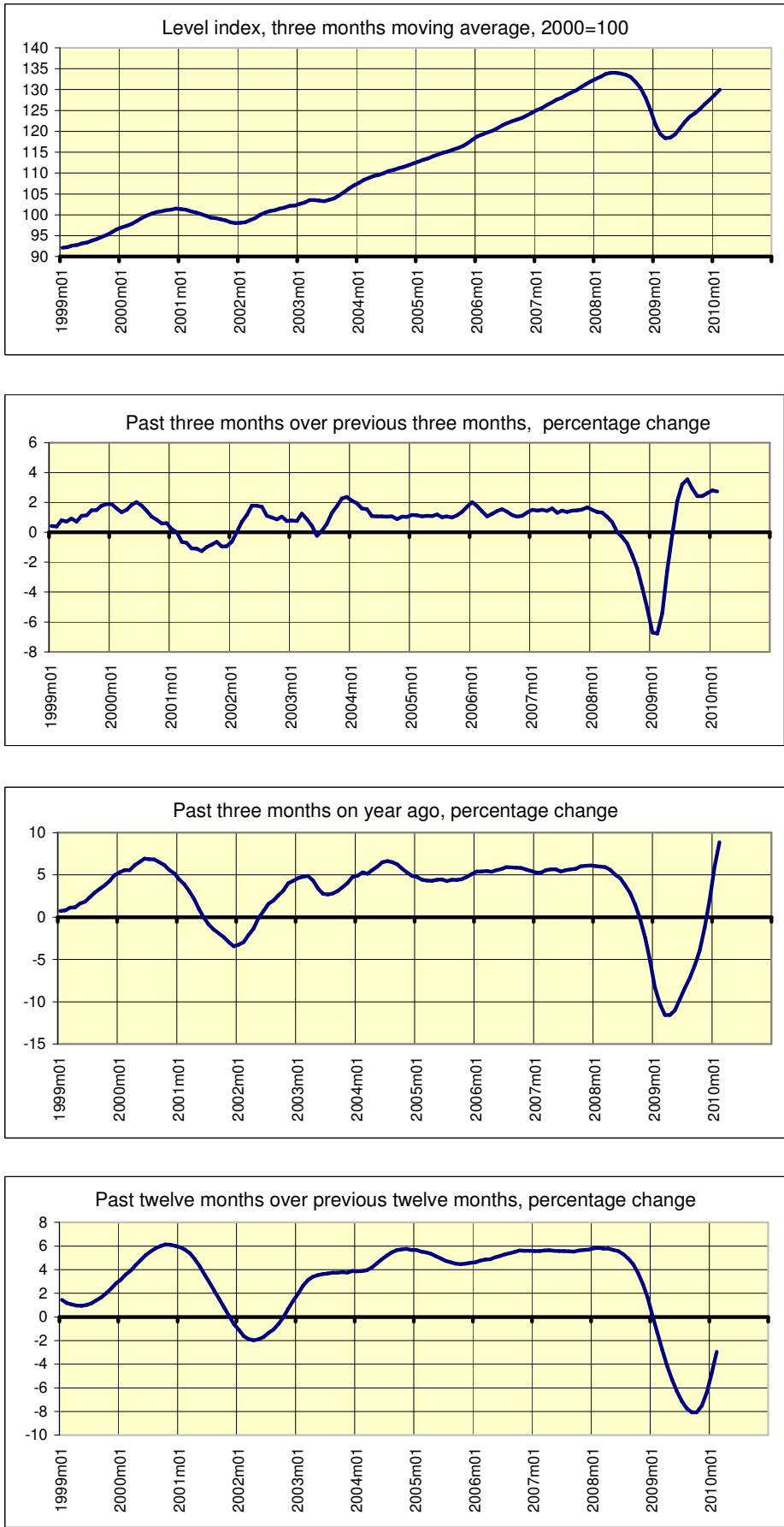


Table 2: World industrial production, percentage changes

	year on year			quarter on quarter			momentum (a)		month on month		
	2007	2008	2009	2009q2	2009q3	2009q4	2010m01	2010m02	2009m12	2010m01	2010m02
World (b)	5.7	1.6	-6.4	2.1	2.9	2.6	2.8	2.7	0.7	1.0	1.0
Advanced Economies (c)	2.4	-2.2	-13.4	-0.5	2.5	1.6	1.9	1.9	0.4	1.4	0.0
United States	1.5	-2.2	-9.7	-2.7	1.6	1.7	1.9	1.9	0.7	0.9	0.2
Japan	2.9	-3.2	-21.7	7.6	7.2	4.4	5.4	5.1	1.7	3.1	-1.1
Euro Area	3.6	-1.7	-14.9	-1.2	2.7	0.5	0.5	0.6	-0.5	1.4	0.3
Emerging economies	10.0	6.3	1.5	4.7	3.3	3.6	3.6	3.5	1.0	0.6	1.9
Asia	13.8	9.2	7.4	6.8	3.6	4.3	4.6	4.7	1.3	1.0	2.7
Central and Eastern Europe	7.4	1.0	-10.8	0.6	3.3	3.0	2.5	0.5	-0.5	-1.2	-0.3
Latin America	5.3	1.6	-6.7	2.0	3.4	2.8	1.9	1.6	0.6	-0.2	1.6
Africa and Middle East	1.6	3.0	-6.4	0.2	1.3	0.9	1.1	1.3	0.9	0.3	0.0

(a) Average of three months ending in month mentioned over average of preceding three months.

(b) Country data are weighted with shares in world production. This also applies to all other regional aggregates.

World and other aggregates based on shares in world imports are available in the xls-file on the CPB website.

(c) OECD countries excluding Turkey, Czech Republic, Slovak Republic, Hungary, Poland, Mexico and Korea.