

# CPB Memo

CPB Netherlands Bureau for Economic Policy Analysis



Date : 26 January 2010  
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Subject : World trade monitor: November 2009

- **November: world trade up by 1.1% month on month, after an upwardly revised 1.4% increase in October; still 12% below its peak of April 2008.**

## World trade volume

Based on preliminary data the world trade volume expanded by 1,1% in November from the previous month, following an increase of 1,4% in October (revised upward from 0,8%). World import volumes increased by 2,6% in November whereas world export volumes declined by 0,3%. This discrepancy is fully reflected in (partly estimated) diverging price trends. Import volumes of emerging countries continued to expand strongly, by 5% on average. In the advanced economies as a whole, import volumes increased marginally in November, after having declined slightly in October. In Japan the rebound was marked, October having posted a very weak figure. European imports decreased however. In November, trade was still 12% below the peak level reached in April 2008, as the world economy is recovering from the unprecedented decline that occurred in November 2008 - January 2009. It was however 10% above the trough reached in May 2009.

Monthly trade figures are volatile and focus on 'momentum' is therefore preferable.<sup>1</sup> Momentum remains remarkably strong. In the three months up to November, world trade was up by 5,7% from the preceding three months, the highest figure in our series, which start in 1991.

## World trade prices

In the three months up to November, dollar prices of world trade were up by 4,0% from the preceding three months. This is the sixth consecutive month of positive price momentum, which contrasts sharply with the deep declines that occurred towards the end of 2008. Dollar prices of traded manufactures continued to increase in November, momentum being 3,1%, the highest figure since July 2008.

## World industrial production

On the basis of preliminary data, world industrial production continued to advance strongly in November, growing by 1,2% relative to the previous month, following a rise of 0,5% in October. All major regions shared in the increase, growth being particularly high in Japan. In November, world industrial production was still 5% below the peak level reached in March 2008. It was however up by 2% on the year. Since the trough in March 2009 it has risen steadily by an accumulated 8%.

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

In the three months up to November world industrial production was up by 2.4% from the preceding three months. Industrial production in Japan and the emerging economies in Asia has recovered strongly, following massive declines in the beginning of this year.

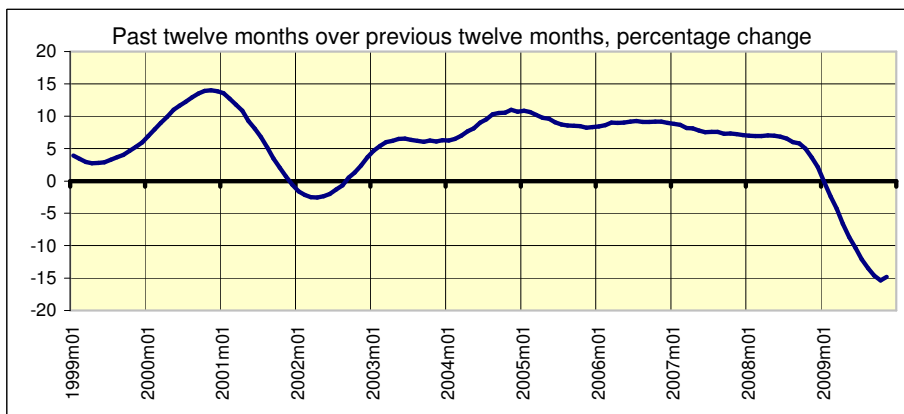
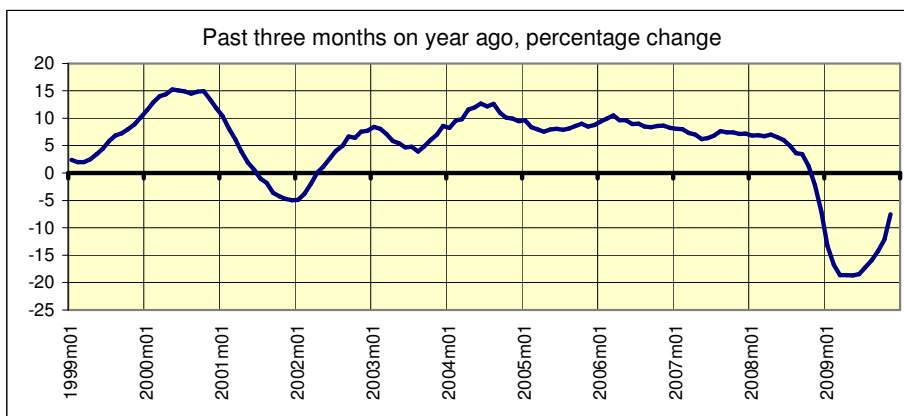
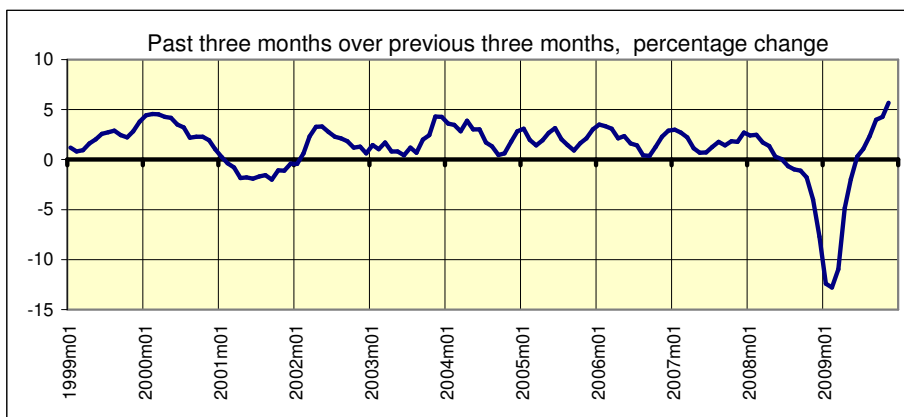
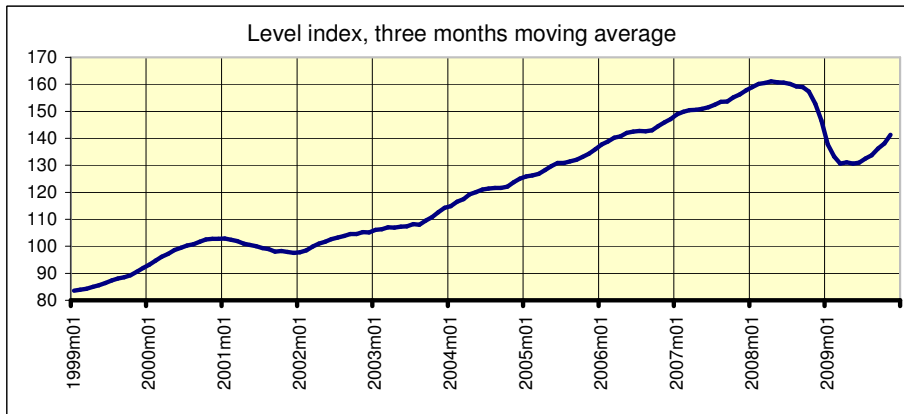
The release of the next monitor is scheduled tentatively for 25 February 2010.

*An explanatory note on our world trade series is available at*

<http://www.cpb.nl/nl/pub/cpbreeksen/memorandum/116/> The CPB world trade system has been extended earlier this year. See the short description at the end of this note.

*The trade database is available in xls-format at <http://www.cpb.nl/eng/research/sector2/data/trademonitor.xls>*

**Figure 1: World merchandise trade, volume, seasonally adjusted**



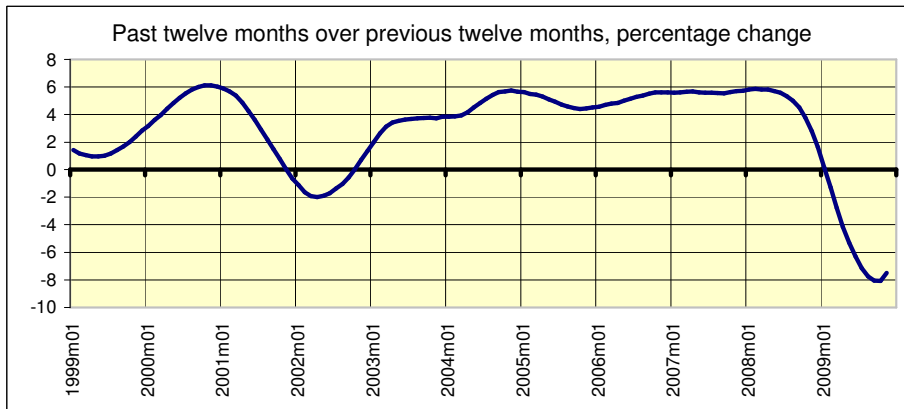
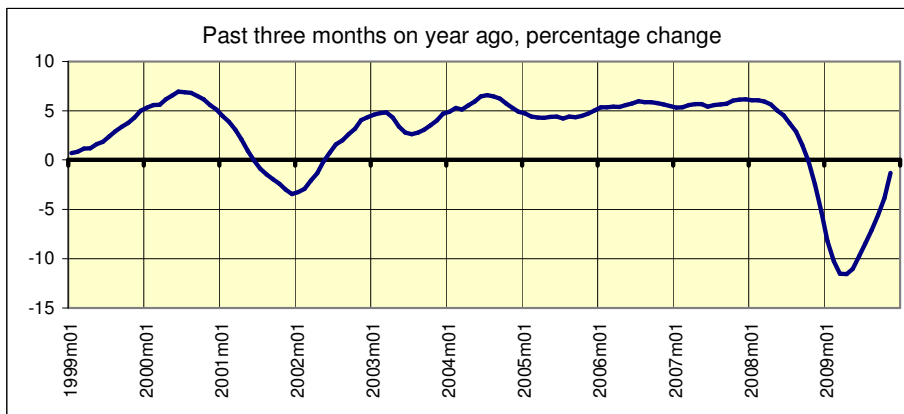
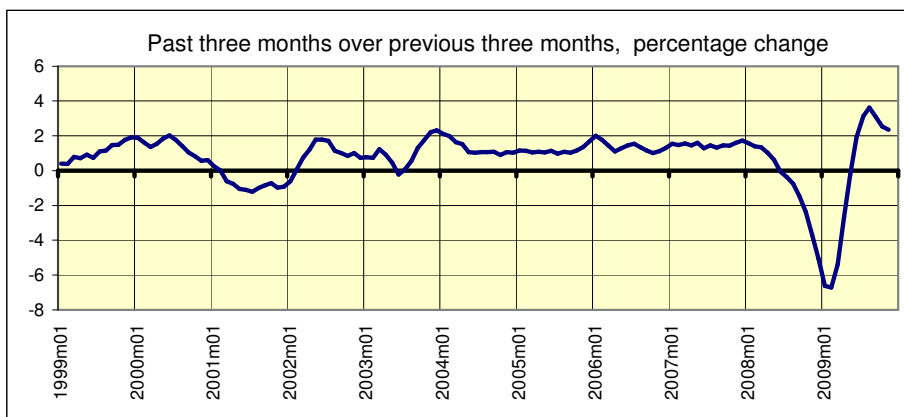
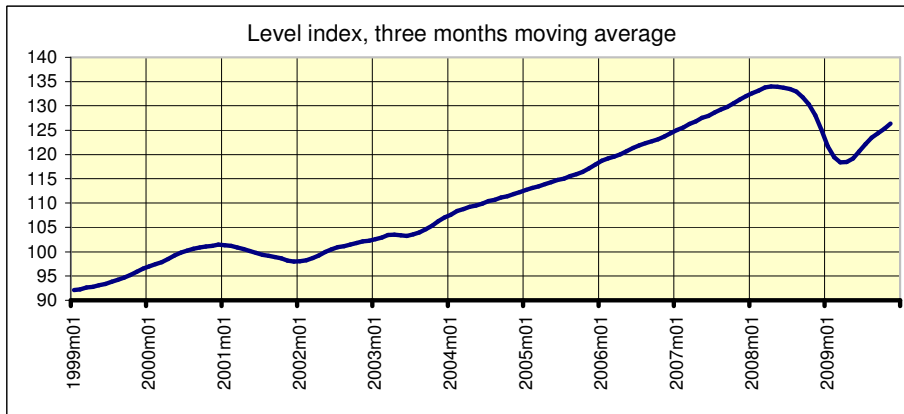
**Table 1: World merchandise trade, percentage changes**

	year on year			quarter on quarter			momentum (a)		month on month		
	2006	2007	2008	2009q1	2009q2	2009q3	2009m08	2009m11	2009m09	2009m10	2009m11
<b>Volumes (s.a.)</b>											
World trade	9.0	7.1	2.2	-11.0	0.3	4.0	2.3	5.7	4.5	1.4	1.1
World imports	8.3	6.5	1.1	-11.3	-0.6	4.5	3.0	6.4	5.2	1.2	2.6
Advanced Economies (b)	6.0	2.6	-2.0	-10.8	-3.9	4.6	1.1	5.1	4.0	-0.2	0.3
United States	5.6	1.5	-3.4	-14.5	-6.4	6.5	1.1	7.7	6.6	-0.4	1.7
Japan	3.0	1.1	-0.6	-17.9	-1.6	8.7	5.5	7.5	8.8	-6.5	4.9
Euro Area	6.0	4.1	-1.7	-7.2	-2.7	2.0	-0.4	2.3	1.9	0.5	-1.7
Emerging economies	11.7	12.1	4.9	-12.0	3.6	4.5	5.2	7.9	6.5	2.6	5.0
Asia	10.8	9.1	2.2	-9.3	6.6	5.7	7.0	8.0	7.6	2.5	4.5
Central and Eastern Europe	17.5	19.9	9.5	-17.5	-4.4	1.4	-1.0	6.6	3.5	1.8	4.7
Latin America	12.4	10.9	7.1	-15.4	0.4	6.9	7.1	7.3	9.2	-1.8	8.4
Africa and Middle East	8.1	16.2	8.6	-12.2	4.0	1.0	3.9	9.2	3.4	8.0	5.1
World exports	9.6	7.6	3.2	-10.6	1.1	3.5	1.7	5.0	3.9	1.6	-0.3
Advanced Economies (b)	7.5	4.3	0.3	-12.8	1.0	4.7	3.0	4.3	3.1	1.0	-0.1
United States	10.7	6.3	5.9	-12.1	-1.8	6.3	3.8	7.6	4.2	3.6	0.3
Japan	11.1	9.6	0.7	-28.1	13.1	9.5	12.6	9.9	5.7	3.3	0.5
Euro Area	6.4	4.5	-0.9	-10.3	0.8	3.5	1.3	2.1	2.3	0.0	-1.3
Emerging economies	12.1	11.5	6.5	-8.4	1.3	2.3	0.5	5.7	4.7	2.3	-0.6
Asia	15.5	14.1	9.0	-10.2	3.8	3.1	1.8	6.2	5.1	3.0	-1.6
Central and Eastern Europe	11.9	14.3	4.8	-9.2	-2.6	2.6	-0.3	6.1	3.5	2.8	-0.7
Latin America	6.9	5.5	-0.6	-5.4	-1.3	-2.3	-4.3	5.0	7.7	-1.8	5.5
Africa and Middle East	2.2	0.9	0.8	0.2	-5.1	1.1	-1.3	3.1	1.8	0.6	1.0
<b>Prices / unit values in USD</b>											
World trade	5.7	7.3	12.4	-5.5	1.3	3.8	4.4	4.0	1.1	1.5	1.8
World imports	6.0	7.7	13.8	-6.3	1.0	2.9	3.4	2.7	0.5	1.2	0.7
Advanced Economies (b)	6.4	8.9	12.9	-5.4	2.9	3.7	4.9	2.9	1.1	1.4	0.8
United States	4.8	4.2	11.3	-6.7	3.5	2.8	4.3	2.1	0.2	0.9	1.6
Japan	8.9	6.0	22.0	-5.5	-6.9	-1.2	-3.0	3.8	-2.3	8.6	1.1
Euro Area	7.0	12.0	13.8	-6.0	3.0	5.7	6.3	4.4	2.8	0.7	0.9
Emerging economies	5.7	6.8	15.7	-7.5	-1.0	1.8	1.7	2.6	-0.2	1.2	0.9
Asia	5.2	5.7	15.6	-8.6	-0.3	2.2	2.6	3.0	-0.8	1.6	1.5
Central and Eastern Europe	6.2	8.5	12.9	-5.3	4.2	5.8	6.7	3.2	1.7	0.7	-1.0
Latin America	5.3	6.2	14.7	-5.8	-3.7	-0.3	-1.2	1.3	1.2	-0.3	1.0
Africa and Middle East	6.2	6.4	18.8	-6.5	-5.0	-1.7	-3.1	1.3	-0.4	1.4	1.1
World exports	5.4	6.8	11.0	-4.7	1.7	4.7	5.4	5.3	1.7	1.9	2.9
Advanced Economies (b)	4.3	8.9	10.1	-1.7	0.5	3.7	4.0	3.4	1.4	1.2	1.3
United States	3.3	4.7	5.9	-2.3	0.5	0.8	1.4	0.4	-0.2	0.0	0.9
Japan	-2.2	0.8	7.5	8.0	-9.9	-1.9	-4.7	2.5	-0.1	1.9	5.7
Euro Area	5.1	12.4	10.7	-3.0	2.3	5.6	6.3	5.0	3.0	1.3	0.9
Emerging economies	7.1	4.7	12.5	-7.7	3.1	5.7	6.8	7.6	2.2	2.7	4.5
Asia	3.0	2.5	4.3	-4.3	-0.5	2.5	2.5	4.4	0.2	2.2	4.5
Central and Eastern Europe	10.4	8.6	20.8	-11.8	5.9	8.4	9.4	6.5	2.6	1.8	2.2
Latin America	11.7	7.6	14.8	-9.8	5.0	4.2	7.7	3.1	0.0	1.6	2.0
Africa and Middle East	17.7	10.5	32.9	-16.0	16.3	15.6	20.1	22.1	10.4	6.9	6.0
<b>World prices / unit values in USD</b>											
Manufactures	2.0	5.6	8.8	-3.2	-0.5	2.3	2.1	3.1	1.5	1.2	1.0
Energy (HWWI)	19.1	12.0	40.3	-20.6	29.4	14.5	30.9	6.3	-4.9	8.2	5.0
Other raw materials (HWWI)	26.7	17.6	12.5	-9.7	10.6	9.0	12.5	7.0	-0.8	3.2	2.9
Energy real (HWWI)	16.6	5.6	28.3	-17.9	29.9	12.0	28.2	3.1	-6.3	6.9	4.0
Other raw materials real (HWWI)	24.0	11.5	3.0	-6.6	11.1	6.6	10.1	3.8	-2.3	2.0	1.9

(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		
	2006	2007	2008	2009q1	2009q2	2009q3	2009m08	2009m11	2009m09	2009m10	2009m11
World (b)	5.6	5.7	1.6	-5.4	1.9	3.1	3.6	2.4	0.9	0.5	1.2
Advanced Economies (c)	2.9	2.4	-2.2	-9.1	-0.7	2.7	2.2	2.1	0.8	0.0	0.8
United States	2.3	1.5	-2.2	-5.1	-2.7	1.7	-0.1	2.3	0.7	0.2	0.6
Japan	4.1	2.9	-3.2	-21.3	7.6	7.2	9.7	5.0	2.0	0.5	2.5
Euro Area	4.2	3.7	-1.6	-9.2	-1.5	3.0	2.7	1.4	0.4	-0.5	0.4
Emerging economies	9.3	10.1	6.3	-1.3	4.6	3.5	5.0	2.6	1.1	1.0	1.6
Asia	12.9	13.8	9.2	0.9	6.8	3.7	6.3	2.9	1.1	1.4	1.8
Central and Eastern Europe	7.7	7.4	1.0	-5.5	0.2	4.2	3.8	2.4	1.4	-0.6	2.8
Latin America	4.5	5.4	1.6	-5.1	1.7	3.3	2.6	3.2	1.7	0.7	0.9
Africa and Middle East	2.2	1.8	3.4	-4.9	0.2	1.7	1.8	0.4	0.0	0.4	-0.1

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

(b) Country data are weighted with shares in world production. This is also done for other aggregates such as advanced economies.

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.