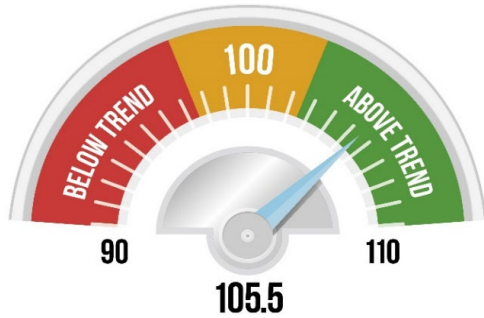


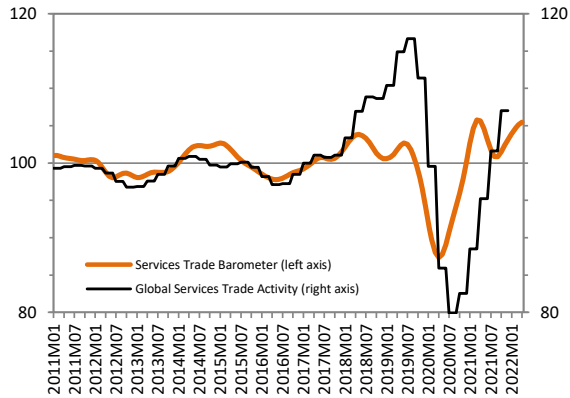
Barometer indicates continued services trade recovery despite Ukraine conflict

Services Trade Barometer

Index value, April 2022=105.5



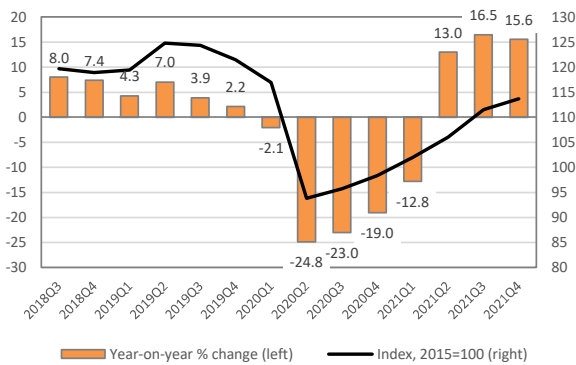
Index history, trend = 100



The Services Trade Barometer has risen firmly above trend to 105.5, over the baseline value of 100 for the index and up from the previous reading of 102.5 in September 2021. The upturn suggests that services trade will continue to post gains in the second quarter once official statistics for this period become available. The Services Trade Barometer is outpacing the Goods Trade Barometer, indicating resilience of services trade to the conflict in Ukraine and signalling a possible shift in consumption patterns away from goods and back toward services as the COVID-19 pandemic eases.

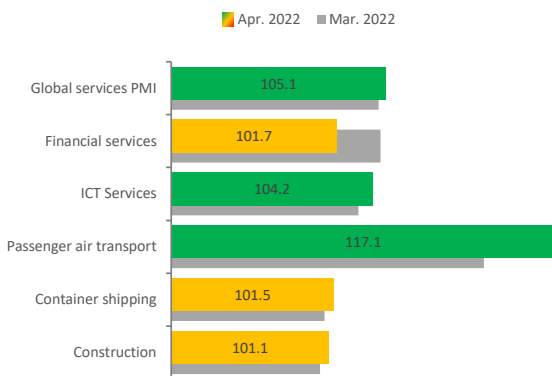
Global services trade activity

Seasonally-adjusted index, 2005=100



The Global Services Trade Activity Index provides an approximate measure of the real volume of world services trade, accounting for changes in prices and exchange rates. The volume of services trade has risen slowly but steadily since bottoming out in the second quarter of 2020 in the early stages of the global pandemic. The index continued to move towards recovery in the fourth quarter of 2021 with a 15.6% year-on-year increase, although it remained 8.9% below its pre-pandemic peak in the second quarter of 2019.

Drivers of services trade

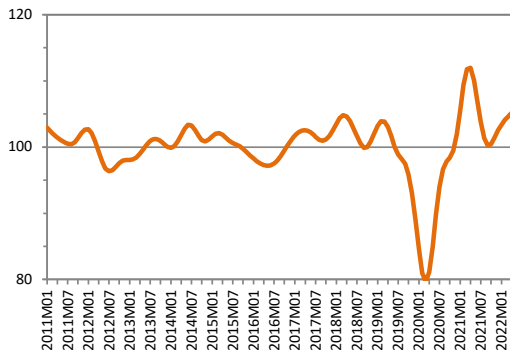


Among the Services Trade Barometer's component indices, the passenger air transport index (117.1) registered the strongest gain, contributing to the above trend reading in the global index. Strong showings in the services PMI (105.1) and ICT services (104.2) also helped lift the services barometer into expansion territory. While it remains above trend, the financial services index (101.7) appears to have lost momentum recently, possibly due to sanctions on the Russian Federation in connection with the conflict in Ukraine. Other indices including container shipping (101.5) and construction (101.1) remain slightly above trend.

Component indices

Global services Purchasing Managers' Index 105.1

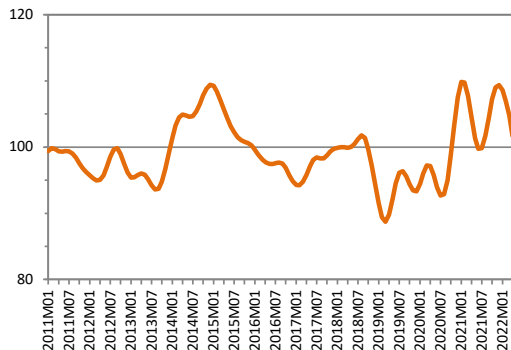
(Index, trend = 100)



Source: IHS-Markit.

Global financial transactions 101.7

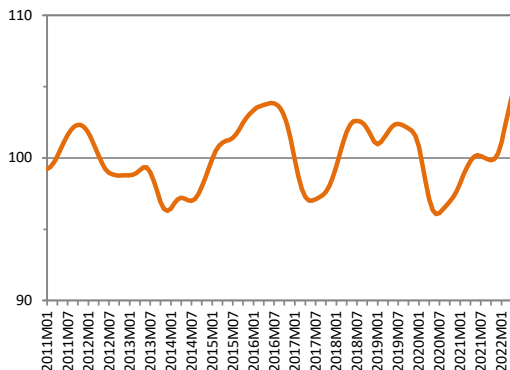
(Index, trend = 100)



Source: SWIFTNet.

Information, computer and telecom services 104.2

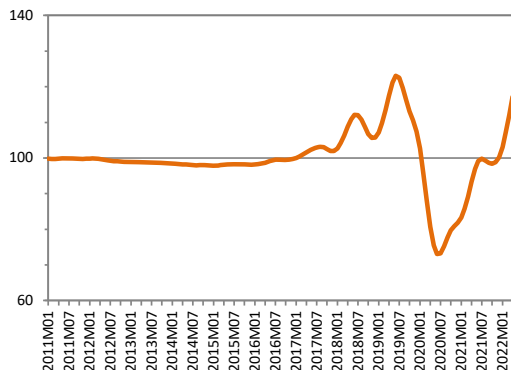
(Index, trend = 100)



Source: Federal Reserve Bank of San Francisco, Eurostat, China National Bureau of Statistics.

Global revenue passenger kilometers (IATA) 117.1

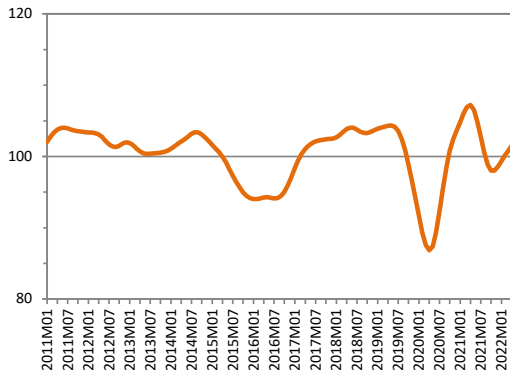
(Index, trend = 100)



Source: IATA.

Container port throughput 101.5

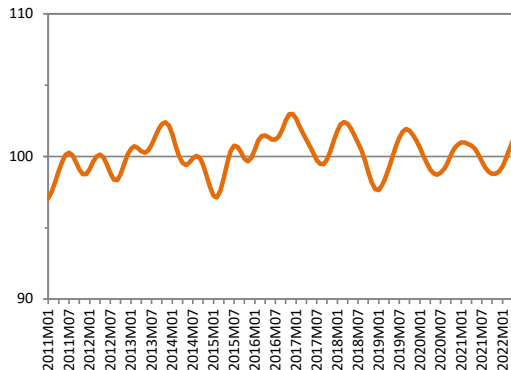
(Index, trend = 100)



Source: Institute for Shipping Economics and Logistics (ISL).

Building permits in selected economies 101.1

(Index, trend = 100)



Sources: National statistics for France, Germany, Japan, the United States and China.

Notes:

- The Services Trade Barometer (STB) is a composite coincident indicator of world services trade activity, combining six component indices. The services trade activity is an approximate measure of the volume of world services trade calculated by adjusting nominal services trade statistics to account for changes in prices and exchange rates.
- Readings of 100 in the Services Trade Barometer indicate growth in line with medium-term trends; readings greater than 100 suggest above trend growth, while those below 100 indicate the opposite. The direction of change reflects momentum compared to the previous month.
- Component indices of the STB are derived from various sources and are seasonally-adjusted, smoothed, de-trended and amplitude adjusted by the WTO Secretariat. As a result, values differ from original data series. For more information on interpretation, see methodological note.

Sources :



Data on air passengers (Industry-wide revenue passenger kilometers) courtesy of the International Air Transport Association (IATA). Further information and analysis available here:

IATA Economics: <https://www.iata.org/en/publications/economics/>

- Other sources: WTO Secretariat for commercial services trade activity data, IHS-Markit for Services PMI headline index, SWIFT for SWIFTNet FIN traffic data, China National Bureau of Statistics for volume of telecommunication services data and real estate building starts data, Eurostat for EU28 telecommunications production volume index and building permits index for Germany and France, US Bureau of Labor Statistics for tech industry employment, Federal Reserve Bank of St. Louis for US construction spending data, Statistics Bureau of Japan for building construction starts data and the Institute of Shipping Economics and Logistics for container throughput data.

Details on the methodology of the Services Trade Barometer are available on the WTO website at the following address:

https://www.wto.org/english/news_e/news21_e/metodology_wtoi_11mar21_e.pdf

Short-term WTO trade statistics (quarterly and monthly) can be obtained here:

https://www.wto.org/english/res_e/statis_e/short_term_stats_e.htm