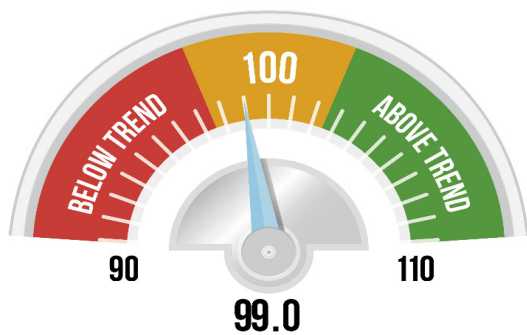


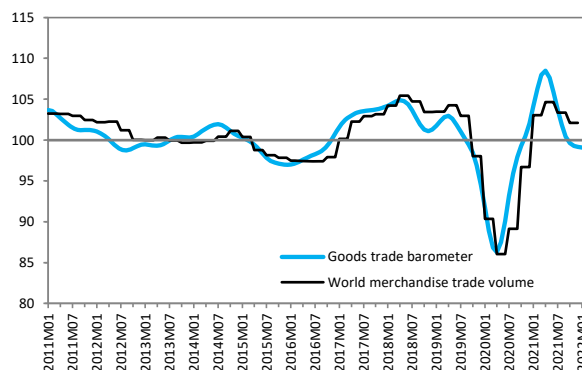
## Goods barometer remains flat as Ukraine conflict, COVID-19 weigh on trade

### Goods trade barometer

Index value, March 2022 = 99.0

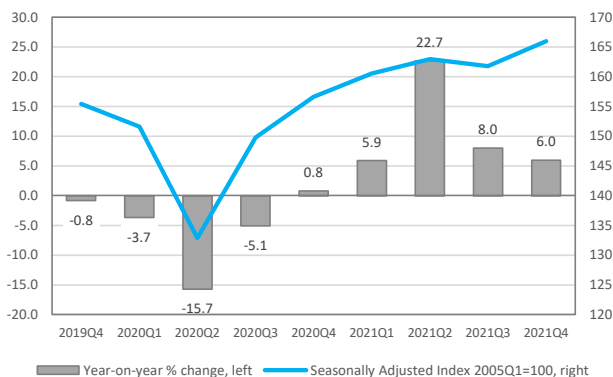


Index history, trend = 100



The Goods Trade Barometer is a composite leading indicator for world trade, providing real-time information on the trajectory of merchandise trade relative to recent trends. The latest reading of 99.0 stayed below the baseline value of 100 for the index, suggesting continued weakness in world trade. The barometer index might have risen above trend if some underlying data had not turned down in the month of March, partly due to the conflict in Ukraine and partly as a result of ongoing supply chain issues.

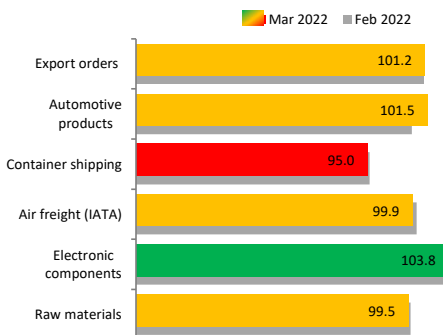
### World merchandise trade volume



Quarterly trade statistics through the end of 2021 showed the volume of world merchandise trade expanding strongly in Q4 even as year-on-year growth slowed to 6.0% from 8.0% in Q3. Stronger year-on-year growth in Q3 was mostly due to the reduced volume of trade in the third quarter of 2020 following a pandemic induced slump. Trade growth in the first half of 2022 is likely to be slower due to the Russia-Ukraine conflict and new COVID-19 related lockdowns in China. In April, the WTO forecasted 3.0% growth in the volume of world merchandise trade in 2022, but this prediction is less certain than usual due to the unpredictable nature of the conflict.

### Drivers of goods trade

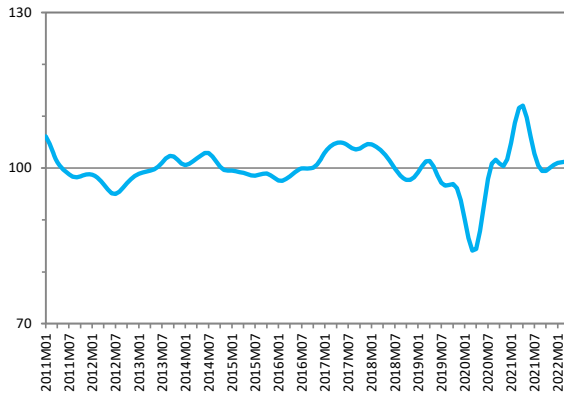
Component index values, trend = 100



Many of the barometer's component indices are close to or above their baseline value of 100, for example export orders (101.2), automotive products (101.5), air freight (99.9), electronic components (103.8), and raw materials (99.5). Meanwhile, the container shipping index remains below trend (95.0) due to persistent port backlogs. Component indices are smoothed to minimize the influence of extreme values, but this may make them appear more positive than is necessarily the case. For example, non-smoothed indices for export orders and air freight were above trend in February but below trend in March, resulting in on trend average values. As a result, all indices should be interpreted with an appropriate degree of caution.

**Export orders**  
(Index, trend = 100)

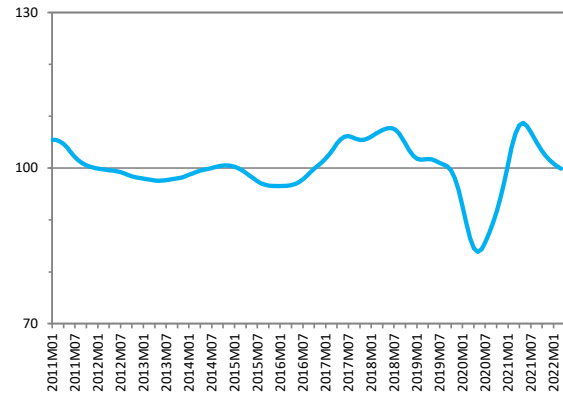
101.2



Source: IHS Markit.

**International air freight (IATA)**  
(Index, trend = 100)

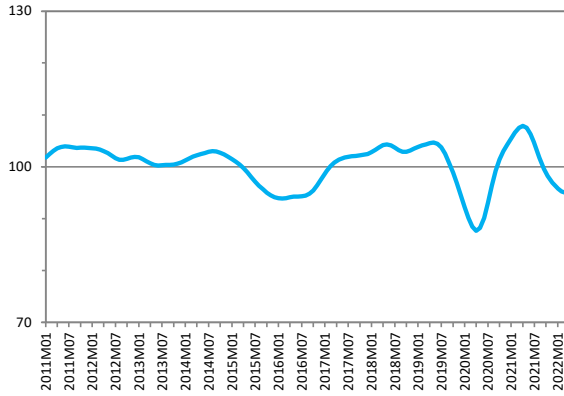
99.9



Source: IATA.

**Container port throughput**  
(Index, trend = 100)

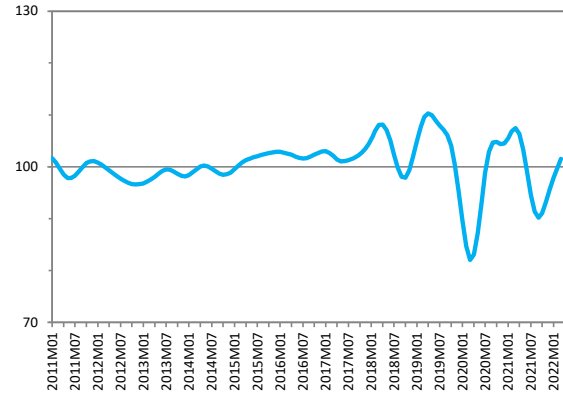
95.0



Source: ISL.

**Automobile production and sales**  
(Index, trend = 100)

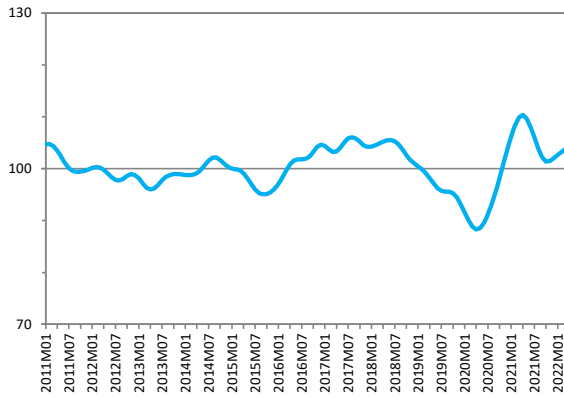
101.5



Source: Federal Reserve Bank of St. Louis, ACEA, JAMA, National Bureau of Statistics China.

**Electronic components**  
(Index, trend = 100)

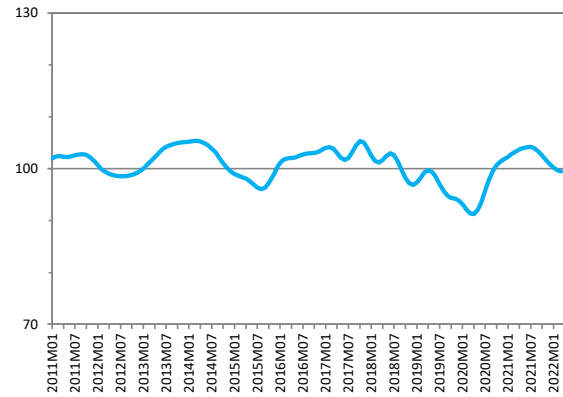
103.8



Source: TDM.

**Agricultural raw materials**  
(Index, trend = 100)

99.5



Source: TDM.



Data on international air freight courtesy of the International Air Transport Association (IATA). Air freight has proved to be a very timely indicator of overall world trade and an early signal of turning points in recessions. Further information and analysis available here:

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

Other sources: WTO Secretariat for quarterly merchandise trade volume, TDM Trade Data Monitor database for electronic components and agricultural raw materials, Institute for Shipping Economics and Logistics for container throughput. Export orders from IHS-Markit Global PMI.

Details on the methodology of the trade outlook indicator are available on the WTO website at the following address:

[https://www.wto.org/english/news\\_e/news20\\_e/methodology\\_wtoi\\_19aug20\\_e.pdf](https://www.wto.org/english/news_e/news20_e/methodology_wtoi_19aug20_e.pdf)

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

[https://www.wto.org/english/res\\_e/statis\\_e/latest\\_trends\\_e.htm](https://www.wto.org/english/res_e/statis_e/latest_trends_e.htm)

The WTO issues a separate semi-annual trade forecasts projecting trade growth over two years. The latest release is available for download here:

[https://www.wto.org/english/news\\_e/pres22\\_e/pr902\\_e.htm](https://www.wto.org/english/news_e/pres22_e/pr902_e.htm)