Chapter II

Highlights of world trade in 2019

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World trade in 2019

World merchandise trade in volume terms recorded a slight decline of 0.1 per cent in 2019 after rising by 2.9 per cent in the previous year. Merchandise trade is measured as the average of exports and imports. In value terms, trade declined by 3.0 per cent compared with an 10.2 per cent increase in 2018.

World trade in commercial services increased by 2.1 per cent in 2019, slowing substantially from its 8.4 per cent rise in 2018. Transport exports declined by 0.8 per cent as merchandise trade faltered. Other commercial services recorded the highest export growth (3.3 per cent) among services sectors in 2019, buoyed by slowing, but continued, growth in the telecommunications, computer and information services sector.
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### European Union
Merchandise trade of the European Union accounted for 30 per cent of world trade in 2019, totalling US$ 5,670 billion.

### Commercial services exports
World exports of commercial services exports remain very concentrated. The top ten exporters accounted for 54.2 per cent of global exports in 2019.

### Manufactured goods
Trade in manufactured goods represents 70 per cent of world merchandise exports. Iron and steel exports experienced the largest decline among manufactured goods in 2019, with a 12 per cent drop compared with 2018.

### Other commercial services
“Other commercial services”, such as telecommunications or financial services, continued to dominate world commercial services trade. Total exports and imports amounted to US$ 3,358 billion and US$ 2,979 billion respectively.

### Least-developed countries (LDCs)
LDCs’ merchandise trade amounted to US$ 226 billion in 2019, a 2 per cent decrease from 2018, while LDC commercial services trade totalled US$ 43 billion, increasing by 10 per cent. Exporters of manufactured goods and oil accounted for 65 per cent of LDC merchandise exports. In services, travel receipts were the largest source of export earnings for LDCs.
World merchandise trade 2019

All regions recorded a decline in merchandise trade in terms of volume and value in 2019. The largest decline was in South and Central America and the Caribbean.

Chart 2.1
Merchandise trade by region, 2019
(Annual percentage change)

-3.0%
The 3.0 per cent decline in the value of world merchandise trade was mostly driven by Europe and Asia, which represent almost two-thirds of merchandise trade.

World exports of manufactured goods contracted by 2.0 per cent in 2019 but remain the leading component of merchandise exports.

Chart 2.2
Merchandise exports by major product group, 2000-2019
(US$ billion, annual percentage change)

-7.5%
Fuels and mining exports declined by 7.5 per cent in 2019, mostly due to a large fall in energy prices (a decline of 17 per cent).

-1.5%
World agricultural exports decreased by 1.5 per cent in 2019, less than the overall decline for world exports.

* Estimate of product break-down.
Data include intra-EU trade of the European Union, exclude re-exports of Hong Kong, China.
Source: WTO Secretariat.
Commercial services exports slowed in 2019 (growth of 2.0 per cent) compared with 2018, with subdued growth in all main sectors and a decline in transport.

Economic uncertainty and trade tensions depressed international travel and related spending. Transportation services posted a -0.8 per cent decline as trade tensions rose.

Other business services (42 per cent) and telecommunications, computer and information services (20 per cent) remained the largest exporting subsectors of “other commercial services”.

Computer services, which account for 81 per cent of telecommunications, computer and information services, grew 11 per cent in 2019, continuing an uninterrupted expansion since the 2009 financial crisis.
Among the world’s top 50 traders, Viet Nam and the Philippines rose the most in world rankings for merchandise trade over the past ten years. Their active participation in global value chains, particularly in manufactured goods, was the main driving force for this improvement.

Qatar and the United Arab Emirates rose the most in world rankings for services trade from 2009 to 2019. Their central location has meant they are well-positioned to export transportation services. Furthermore, growing intra-regional tourism has contributed to growth.

**Chart 2.5**
Merchandise traders improving their rankings among the world’s top 50, 2009-2019
(Rank)

**Chart 2.6**
Commercial services traders improving their rankings among the world’s top 50, 2009-2019
(Rank)

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Among the top 50 merchandise traders, Viet Nam recorded the biggest increase in world ranking, improving its position from 39th place in 2009 to 23rd in 2019.

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Qatar had the largest increase in world services trade ranking in 2019, rising from 74th place in 2009 to 41st in 2019.
The top traders of goods and commercial services in 2019 were mainly economies in North America, Asia and Europe.

**United States of America** is the leading services trader.

**China** has become the second largest global trader since 2010, with trade growing on average 5.8% a year from 2010 to 2019.

**Germany**, with its manufacturing-focused economy, continues to be a top trader.

**Russia** is a top global trader with large hydrocarbon exports.

**Philippines**, with average annual trade growth of nearly 9% from 2010 to 2019, is now the world’s 38th largest trader, with particular strength in other business services exports.

**Canada** and Mexico are the 13th and 14th largest global traders, benefiting from membership of NAFTA and its supply chain network with the United States.

**United Arab Emirates** is a key services trader with strong transportation service trade and growing regional tourism.

**China** has become the second largest global trader since 2010, with trade growing on average 5.8% a year from 2010 to 2019.

**Least-developed countries**

**LDC merchandise exports decline while commercial services rise in 2019.**

Chart 2.7
World’s leading traders of goods and commercial services, 2019 (US$ billion)

**Chart 2.8**
World exports of least-developed countries, 2015-2019 (US$ billion)

The value of LDC merchandise exports in 2019 is 23 per cent higher than its value in 2015.

The value of commercial services exports of LDCs is 30 per cent higher than its value in 2015.