

JULY TRADE WATCH

JULY TRADE UPDATE – SIGNS OF IMPROVEMENT

- **June data show the first signs of improvement since the onset of the crisis.**
- **In the first five months of the year, trade was down on average 35 percent relative to the same period last year.**
- **Falling commodity prices are important, but play a secondary role to the decline in demand in explaining the trade plunge.**
- **May industry data for the United States and Japan show that nondurables, such as animal products, foodstuffs, textiles and apparel, and footwear, are the best performers.**

Signs of improvement in June. June trade data available for 18 countries show the first signs of improvement. In Korea and Argentina, exports rebounded sharply as compared with previous months. Imports were universally stronger across reporting countries in June as compared with May, with especially large increases in New Zealand and Argentina.

Trade did not worsen in May. Sixty countries have reported trade data through May (See Tables 1 and 2). Trade was down over 30 percent in the first quarter of the year relative to the same period last year. In May conditions remained weak, with exports down on average 33 percent and imports down 37 percent.

Trade growth measured as month relative to same month last year, could overstate the decline if trade was exceptionally strong at the end of 2007 and beginning of 2008. To reduce this problem we produced a seasonally adjusted trade series¹ using 13 years of monthly trade data in constant dollars for 43 countries. *These seasonally-adjusted month-to-month growth rates, shown in Tables 3 and 4, record a similar pattern.* We see sharp declines in October, November, and January, totaling around 35 percent, and only small changes in the other months.

To see the declines in context, Figures 1 and 2 show export and import growth (month relative to same month last year) by region through May 2009, for a balanced sample of countries reporting data. Figures 3 and 4 show the same indices by income group. Trade growth averaged above 20 percent until September. While part of the decline reflects the steep fall in commodity prices, the slowdown is relatively widespread, across regions, between developed and developing countries as well as across exports and imports, suggesting that reduced demand is the primary cause.

To shed more light on the importance of falling commodity prices, we decompose the trade change in a “quantity effect” and “price effect”.² Tables 5 and 6 present the

¹ We converted nominal trade to year’s 2000 constant dollars and remove country-month averages.

² The “price effect” is defined as the change in trade induced by changes in prices while keeping quantities constant and the quantity effect is defined as the change in trade induced by changes in quantities while

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decomposition for the U.S. trade growth. Falling prices play a secondary role to demand, accounting for 15 and 45 percent of the trade decline of total U.S. exports and imports, respectively. At the industry level, we find that prices are particularly important in the decline of “Mineral” (oil and derivatives), “Vegetable” and “Raw Hides, Raw hides leather & Furs” while quantity is important in the decline of “Transportation”, “Stone/Glass” and “Machinery Electrical”. Since the U.S. depends heavily on imported oil,³ the world “price effect” is probably closer to 15 than to 45 percent, making the drop in demand the main effect behind the world trade plunge.

In addition to falling commodity prices and reduced demand, exchange rate fluctuations play an important role in the magnitude of the trade decline.⁴ Figure 5 shows a period of weakening of the U.S. Dollar against the Japanese Yen and Euro, followed by a period of strengthening against the British Pound and Euro. These exchange rate movements overstate the drop in trade. To mitigate this “exchange rate effect”, we also report trade flows using a standard basket of currencies (S.D.R.).⁵ Figure 6 and 7 show that the slump in trade growth, from the first six months of the year, is nearly 20 percent (or about 10 percentage points) smaller both for imports and for exports, using the more comprehensive S.D.R. as unit of value.

U.S. and Japanese data, available by industry, provide an indication of where trade is declining the fastest. Table 7 shows U.S. import growth by broad sector (relative to the same month last year). Similar data for Japan (measured in Yen) are shown in Table 8.⁶ Both countries report especially sharp drops in mineral products, mostly due to the collapse in prices. Transportation, metals, and stone and glass have also been heavily hit as demand and investment plummet. Nondurables, such as animal products, foodstuffs, textiles and apparel, and footwear are the best performing industries, although they still remain largely on negative ground.

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keeping prices constant. To avoid composition effects we performed this computation at the product level, HS 4-digit for exports and HS 6-digit for imports (6-digit monthly export quantities were noisy – results using 6-digits are similar).

³ Oil accounts one fourth of U.S. imports and only around one tenth of world imports.

⁴ When the U.S. Dollar depreciates trade growth rates, measured in dollars, are higher, reversely, when the U.S. Dollar appreciates growth rates, are lower (ceteris paribus). In other words, when the U.S. Dollar weakens a product is more expensive in U.S. Dollars inducing a higher growth rate.

⁵ The Special Drawing Right (S.D.R.) was created by the I.M.F. in 1969 to support the Bretton Woods fixed exchange rate system. Today the S.D.R. is defined as a basket of currencies, consisting of the Euro, Japanese Yen, British Pound and U.S. Dollar. The U.S. Dollar value of the S.D.R. is posted daily at the IMF website.

⁶ Aggregate figures for Japan in Table 8 are calculated from Yen values and therefore are different from Tables 1 and 2, which use data in \$US.

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Table 1: Export Growth Relative to Same Month Previous Year
(Percentage Change in U.S. Dollars)

Country	Exports									
	September	October	November	December	January	February	March	April	May	June
Argentina	43.87	11.26	-9.59	-26.88	-35.91	-24.52	-15.99	-12.71	-17.62	-4.53
Australia	51.49	33.76	14.75	4.19	-4.83	-0.83	-9.88	-22.10	-28.20	n.a.
Austria	12.24	-7.90	-25.60	-13.13	-35.51	-35.93	-30.90	-39.88	n.a.	n.a.
Bangladesh	12.62	31.46	4.90	3.19	9.73	10.68	10.71	18.18	n.a.	n.a.
Belgium	11.07	-6.28	-27.46	-13.22	-31.58	-31.44	-30.85	-41.42	n.a.	n.a.
Bulgaria	19.68	-5.86	-26.44	-18.90	-36.04	-35.02	-39.85	-49.77	-40.27	n.a.
Canada	14.07	-1.10	-16.23	-16.06	-35.09	-34.37	-36.21	-39.41	-43.34	n.a.
Chile	-12.69	-22.73	-27.62	-26.81	-40.80	-40.80	-42.75	-40.18	-32.87	-30.09
China	21.52	19.20	-2.20	-2.80	-17.50	-25.70	-17.10	-22.60	-26.40	-21.40
Croatia	21.14	-16.09	-11.27	-9.12	-35.13	-16.45	-24.77	-33.05	-33.50	n.a.
Cyprus	11.04	-13.33	8.40	10.43	-32.68	-28.47	-30.64	-24.22	-29.70	n.a.
Czech Republic	21.78	-4.75	-25.26	-16.19	-37.22	-40.36	-28.79	-40.57	-35.56	n.a.
Denmark	16.07	-2.14	-27.19	-8.79	-28.17	-30.45	-21.20	-38.04	-30.94	n.a.
Ecuador	19.58	-11.08	-23.93	-38.52	-45.19	-51.41	-31.99	-37.52	-44.37	n.a.
Egypt	65.12	38.29	-4.46	-16.15	-9.67	-7.86	-28.41	-27.26	-18.80	n.a.
Estonia	27.99	7.52	-27.36	-11.44	-37.26	-35.94	-35.95	-48.11	-39.01	n.a.
Finland	7.43	-4.36	-29.97	-19.44	-43.50	-43.86	-43.26	-48.04	-48.30	n.a.
France	9.82	-8.93	-23.93	-7.74	-32.59	-33.16	-30.45	-38.37	-29.45	n.a.
Germany	9.25	-3.49	-23.86	-12.79	-32.51	-32.78	-30.73	-40.64	-33.71	n.a.
Greece	6.40	4.97	-27.84	-10.31	-31.39	-25.09	-30.26	-31.21	-27.54	n.a.
Hong Kong	3.50	9.36	-4.83	-10.82	-21.42	-22.56	-20.84	-17.76	-13.93	-4.63
Hungary	11.94	-12.48	-22.97	-22.11	-40.13	-37.67	-31.86	-40.58	-33.66	n.a.
Iceland	66.81	-22.72	-46.32	15.89	-32.14	-1.29	-36.42	-53.71	-49.63	-38.85
India	12.56	-12.35	-19.83	-4.35	-22.90	-26.95	-33.45	-32.73	-29.37	n.a.
Indonesia	29.02	4.72	-1.81	-18.69	-34.95	-32.35	-28.26	-22.59	-28.28	n.a.
Ireland	3.54	-7.17	-19.46	4.07	-13.66	-16.24	-7.01	-11.00	-18.94	n.a.
Israel	28.79	-19.20	-17.12	-19.63	-29.82	-34.05	-29.03	-36.24	-29.10	-25.28
Italy	9.98	-5.08	-26.66	-10.06	-34.76	-34.33	-32.02	-40.45	-35.91	n.a.
Japan	9.87	6.77	-16.10	-18.59	-35.33	-40.83	-44.33	-37.92	-35.07	-29.11
Jordan	60.40	51.47	34.18	30.13	14.60	-2.94	-13.80	-4.57	-20.70	n.a.
Kazakhstan	47.93	52.26	-2.29	-18.21	-50.53	-46.31	-50.64	-51.37	-52.35	n.a.
Korea, Republic of	27.64	7.78	-19.45	-17.90	-34.52	-18.54	-22.11	-19.80	-28.62	-12.41
Latvia	32.56	6.67	-18.13	-10.84	-28.54	-33.19	-31.36	-37.52	-34.16	n.a.
Lithuania	44.09	18.62	1.99	-8.28	-25.59	-35.87	-43.09	-49.69	-41.21	n.a.
Luxembourg	17.83	-4.03	-28.97	-22.13	-39.22	-38.00	-33.54	-44.83	-38.61	n.a.
Malaysia	15.95	-6.59	-10.83	-20.76	-34.56	-24.90	-27.99	-35.29	-35.10	n.a.
Malta	1.76	-6.37	-34.89	-36.23	-44.72	-43.30	-35.82	-37.12	-32.59	n.a.
Mexico	8.40	-6.36	-16.67	-19.68	-31.50	-29.46	-25.13	-35.58	-32.82	-26.57
Netherlands	14.30	-1.27	-24.54	-13.64	-30.34	-31.61	-31.21	-37.20	-30.34	n.a.
New Zealand	0.44	-8.58	-19.03	-24.80	-30.21	-37.70	-24.03	-29.72	-17.42	-24.90
Norway	13.59	-1.23	-14.37	-22.43	-36.30	-35.55	-34.65	-49.03	-47.55	-40.99
Pakistan	20.77	9.86	-0.78	-3.05	-7.79	-17.37	-25.93	-24.09	-20.31	-20.39
Peru	8.09	-8.69	-11.58	-32.97	-36.43	-27.08	-31.26	-34.41	-27.91	n.a.
Philippines	1.29	-14.37	-11.40	-40.32	-40.64	-39.05	-30.79	-35.23	-26.95	n.a.
Poland	24.46	-2.13	-23.94	-23.48	-34.30	-35.53	-28.89	-41.15	-36.01	n.a.
Portugal	6.83	-9.36	-25.71	-18.84	-36.32	-38.65	-35.67	-40.58	n.a.	n.a.
Romania	21.28	9.04	-20.59	-20.05	-33.10	-35.88	-22.48	-35.54	-34.32	n.a.
Russian Federation	53.71	12.45	-16.08	-25.84	-48.01	-47.89	-47.70	-47.12	-46.61	n.a.
Singapore	17.99	-4.63	-15.93	-21.80	-40.75	-28.56	-29.04	-33.19	-30.15	-28.19
Slovakia	9.55	-5.61	-26.74	-24.10	-42.00	-40.32	-32.99	-36.99	-38.37	n.a.
Slovenia	14.35	-4.42	-24.91	-19.11	-33.86	-33.29	-32.31	-41.57	-32.59	n.a.
South Africa	35.67	13.87	-25.98	-23.71	-38.50	-28.03	-19.70	-37.40	-35.41	n.a.
Spain	18.71	-4.72	-25.25	-12.32	-34.65	-34.43	-28.67	-38.77	-31.86	n.a.
Sri Lanka	-10.19	0.26	9.14	-22.59	-12.04	-18.62	-8.95	-28.99	n.a.	n.a.
Sweden	10.64	-10.61	-31.03	-25.86	-42.28	-41.90	-36.21	-46.92	-40.96	-31.36
Switzerland	18.17	4.69	-14.10	-2.36	-14.77	-22.74	-21.83	-28.04	-22.89	-23.43
Taiwan, Province of China	-2.34	-9.29	-23.46	-41.59	-44.86	-29.70	-35.83	-34.49	-30.08	-30.76
Thailand	22.65	5.23	-18.60	-12.48	-26.47	-11.35	-23.08	-26.06	-26.59	n.a.
Turkey	41.54	-1.75	-16.99	-20.58	-25.84	-23.84	-28.56	-33.34	-41.02	n.a.
Ukraine	62.47	34.89	-18.60	-17.56	-33.40	-42.50	-41.13	-44.46	-53.36	n.a.
United Kingdom	9.13	-4.42	-30.73	-18.32	-32.68	-34.94	-34.83	-35.21	-37.76	n.a.
United States	9.11	4.50	-5.66	-11.75	-21.13	-23.84	-21.75	-26.85	-26.62	n.a.
Uruguay	10.96	39.11	2.73	-10.06	-9.17	-18.16	-21.98	-17.81	3.93	n.a.
Venezuela	-81.45	-82.27	-77.52	-74.13	-71.85	-67.49	-72.09	-63.89	-58.25	n.a.
Viet Nam	28.63	20.10	-6.24	4.26	-25.78	32.32	13.02	-16.10	-14.27	-13.82
Average	18.50	1.14	-17.23	-15.97	-31.02	-29.17	-28.99	-34.31	-32.55	-23.92
Balanced Average	19.50	1.10	-17.59	-16.23	-31.84	-29.70	-29.81	-34.95	-32.55	-

Source: Datastream. Note: Data reporter in national currency are converted to U.S. dollars using average monthly nominal exchange rates. n.a. indicates not available

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Table 2: Import Growth Relative to Same Month Previous Year
(Percentage Change in U.S. Dollars)

Country	Imports									
	September	October	November	December	January	February	March	April	May	June
Argentina	33.99	16.57	-5.36	-10.90	-38.37	-36.73	-30.68	-43.42	-48.85	-30.07
Australia	29.45	-4.84	-11.51	-0.16	-25.10	-27.28	-27.30	-28.02	-34.79	-26.77
Austria	7.90	-1.22	-19.95	-7.84	-30.87	-32.54	-29.05	-34.02	n.a.	n.a.
Bangladesh	31.52	26.67	9.04	-1.25	1.97	-9.66	-7.55	-16.82	n.a.	n.a.
Belgium	17.49	-4.54	-23.38	-13.15	-31.79	-28.96	-32.50	-44.92	n.a.	n.a.
Bulgaria	18.81	7.05	-23.40	-21.18	-41.07	-39.39	-38.74	-49.24	-44.40	n.a.
Canada	11.26	-3.06	-15.19	-9.90	-27.13	-26.39	-29.47	-27.96	-35.20	n.a.
Chile	47.37	21.96	-14.56	-4.40	-26.36	-34.48	-33.79	-36.85	-42.04	-38.10
China	21.32	15.60	-17.90	-21.30	-43.10	-24.10	-25.10	-23.00	-25.20	-13.20
Croatia	31.24	-5.04	-17.11	-6.79	-39.76	-34.51	-30.00	-42.97	-38.20	n.a.
Cyprus	25.43	-0.49	-12.35	-7.92	-32.34	-28.80	-30.00	-37.54	-36.62	n.a.
Czech Republic	23.71	0.91	-20.80	-12.06	-35.16	-40.17	-33.90	-43.05	-37.21	n.a.
Denmark	16.36	-2.67	-22.17	-7.44	-21.42	-26.87	-28.88	-38.21	-30.78	n.a.
Ecuador	54.92	38.33	10.46	22.83	3.47	-1.37	-8.27	-25.49	-12.44	n.a.
Egypt	112.32	96.81	57.03	31.90	36.76	31.66	30.58	-16.54	-28.93	n.a.
Estonia	6.56	-7.68	-29.64	-19.59	-43.59	-42.81	-42.76	-50.72	-48.52	n.a.
Finland	21.74	-5.65	-23.68	-16.55	-40.62	-39.08	-40.61	-51.21	-47.99	n.a.
France	14.69	-2.22	-20.77	-11.76	-31.11	-29.32	-28.35	-36.38	-31.90	n.a.
Germany	16.14	-0.19	-14.73	-9.17	-24.03	-26.97	-27.33	-35.79	-31.97	n.a.
Greece	6.85	-8.48	-25.32	-15.31	-38.23	-38.46	-38.47	-47.48	-45.13	n.a.
Hong Kong	3.79	11.20	-7.52	-15.67	-26.72	-17.01	-22.44	-16.56	-18.65	-7.15
Hungary	14.13	-10.04	-22.67	-22.42	-38.61	-40.43	-36.33	-45.63	-40.69	n.a.
Iceland	-0.87	-52.14	-45.18	-52.33	-51.42	-51.44	-54.77	-57.74	-61.02	n.a.
India	54.07	7.25	9.85	0.00	-27.75	-36.10	-34.18	-36.16	-39.41	n.a.
Indonesia	66.34	70.74	19.90	13.23	-31.30	-39.66	-36.22	-42.41	-32.73	n.a.
Ireland	-2.43	-21.33	-37.00	-22.93	-36.27	-31.18	-24.96	-38.45	-31.30	n.a.
Israel	28.46	-6.02	-6.47	-27.48	-33.93	-35.12	-37.43	-40.79	-40.52	-33.99
Italy	13.08	-3.68	-24.71	-14.97	-33.16	-32.78	-33.35	-41.61	-39.21	n.a.
Japan	39.43	24.51	-1.93	-1.70	-18.91	-33.26	-35.20	-34.55	-36.69	-36.00
Jordan	23.61	9.18	-6.86	-14.36	-15.13	-23.33	-22.57	-24.24	-24.40	n.a.
Kazakhstan	20.13	4.49	0.29	21.54	-21.37	-13.36	-12.43	-17.84	-33.68	n.a.
Korea, Republic of	45.36	10.25	-14.95	-21.60	-31.49	-30.87	-35.70	-35.38	-40.08	-32.95
Latvia	17.12	-5.60	-24.08	-15.90	-39.31	-43.50	-40.54	-50.80	-46.92	n.a.
Lithuania	29.96	5.24	-19.14	-13.64	-47.08	-47.90	-53.46	-58.08	-48.68	n.a.
Luxembourg	22.86	2.55	-11.44	-14.52	-30.89	-33.82	-30.36	-41.39	-39.48	n.a.
Malaysia	12.31	-9.16	-14.28	-28.11	-38.34	-35.28	-39.33	-31.89	-33.36	n.a.
Malta	20.26	-27.93	-27.21	-13.86	-25.21	-34.28	-35.56	-40.28	-29.50	n.a.
Mexico	17.84	0.26	-7.63	-12.79	-30.04	-30.72	-21.90	-38.82	-35.46	-25.12
Netherlands	19.74	1.26	-19.80	-10.52	-30.87	-31.62	-29.89	-35.75	-32.49	n.a.
New Zealand	17.21	-6.35	-20.75	-17.25	-34.56	-42.67	-33.08	-40.82	-39.07	-19.90
Norway	23.02	-21.43	-23.92	-10.06	-34.31	-36.30	-23.37	-41.16	-35.26	-31.94
Pakistan	40.24	2.09	-13.85	-10.73	-28.32	-41.73	-38.42	-31.90	-32.67	-18.00
Peru	60.49	32.78	14.90	6.36	-19.04	-18.62	-28.73	-28.76	-40.36	n.a.
Philippines	3.10	-11.12	-31.45	-33.99	-34.55	-31.90	-36.17	-37.37	-24.27	n.a.
Poland	26.25	2.64	-19.90	-20.64	-36.14	-40.49	-37.47	-45.70	-43.76	n.a.
Portugal	11.48	-4.00	-22.59	-14.23	-34.26	-40.94	-35.06	-43.73	n.a.	n.a.
Romania	31.49	1.13	-27.27	-27.81	-43.18	-42.49	-45.55	-49.35	-46.33	n.a.
Russian Federation	44.83	23.48	-3.11	-3.32	-32.96	-36.62	-38.25	-42.57	-43.30	n.a.
Singapore	33.65	3.86	-13.46	-18.20	-36.50	-25.35	-35.62	-37.72	-31.86	-30.27
Slovakia	10.46	-6.43	-26.34	-24.03	-36.47	-41.24	-35.56	-46.95	-38.72	n.a.
Slovenia	13.44	0.12	-23.89	-15.90	-38.95	-36.49	-35.68	-45.30	-41.95	n.a.
South Africa	32.47	-8.42	-17.65	-23.27	-27.64	-35.10	-26.17	-44.91	-39.84	n.a.
Spain	8.50	-14.43	-30.58	-20.90	-43.06	-34.98	-43.69	-46.06	-42.26	n.a.
Sri Lanka	22.44	8.77	-3.16	-11.33	-40.86	-39.86	-12.87	-53.42	n.a.	n.a.
Sweden	7.45	-9.31	-28.67	-24.78	-41.97	-39.68	-36.26	-47.84	-42.93	-39.59
Switzerland	19.25	-0.83	-17.99	-4.79	-19.90	-18.51	-16.00	-35.21	-25.72	-20.18
Taiwan, Province of China	9.13	-8.42	-13.83	-44.33	-57.06	-32.68	-49.58	-41.35	-37.95	-33.88
Thailand	39.35	21.68	2.01	-6.53	-37.60	-40.33	-35.13	-36.31	-34.70	n.a.
Turkey	23.69	-4.38	-27.41	-29.25	-43.19	-43.37	-37.40	-43.43	-43.87	n.a.
Ukraine	74.76	30.22	-9.58	-27.93	-55.88	-41.24	-48.93	-54.76	-58.47	n.a.
United Kingdom	-0.58	-10.45	-29.39	-22.12	-32.21	-36.32	-35.17	-35.49	-37.36	n.a.
United States	11.59	2.61	-16.01	-14.57	-26.59	-34.14	-28.95	-34.35	-35.97	n.a.
Uruguay	44.17	78.51	-3.88	21.12	-42.70	-7.92	-15.42	-41.18	-46.00	-29.21
Venezuela	12.31	5.42	6.88	18.04	14.53	-13.09	27.36	-5.58	-9.02	n.a.
Viet Nam	8.06	8.69	-19.11	-19.05	-55.21	-27.79	-27.96	-30.50	-29.14	-13.24
Average	24.96	4.70	-14.19	-12.45	-31.60	-31.66	-30.43	-38.46	-37.09	-26.64
Balanced Average	25.53	4.66	-14.37	-12.69	-31.97	-31.76	-31.01	-38.45	-37.09	-

Source: Datastream. Note: Data reporter in national currency are converted to U.S. dollars using average monthly nominal exchange rates. n.a. indicates not available

JULY TRADE WATCH

Table 3: Month-to-Month Export Growth
(Percentage Change in Constant U.S. Dollars – Seasonally Adjusted)

Country	Exports								
	September	October	November	December	January	February	March	April	May
Argentina	-2.41	-12.11	-17.75	-14.34	-3.49	6.60	-2.64	13.26	-5.24
Australia	0.04	-6.83	-10.36	-3.77	-10.72	3.19	0.62	-9.08	-3.47
Bulgaria	3.22	-12.91	-18.60	2.40	-23.53	9.87	-1.48	-9.38	13.45
Canada	-0.29	-5.99	-13.55	-4.95	-16.89	4.26	-5.20	0.49	-7.35
Chile	-16.79	4.01	-12.43	-6.50	-1.59	-5.33	-0.91	5.97	-4.24
China	0.32	-3.89	-10.74	-2.17	-11.51	-21.59	20.81	-1.25	-1.95
Croatia	6.22	-17.28	0.38	-5.58	-22.04	29.93	-16.85	6.95	-5.23
Cyprus	-12.69	-10.53	15.13	-1.89	-28.36	13.60	-14.92	26.35	-9.48
Czech Republic	17.20	-10.55	-18.22	-3.97	-9.00	-4.05	17.82	-8.52	-3.24
Denmark	5.15	-7.35	-20.14	10.17	-7.11	-2.21	1.04	-0.85	0.17
Ecuador	-15.59	-16.02	-13.76	-10.93	-5.57	-8.22	16.44	2.33	4.79
Estonia	4.60	0.27	-30.81	4.15	-16.89	2.13	-1.70	-3.89	3.78
Finland	2.03	-7.96	-21.51	3.93	-18.01	1.48	-3.93	6.18	-10.74
France	11.54	-7.48	-16.60	11.35	-14.52	-0.37	-1.41	1.88	0.10
Germany	5.04	-4.83	-18.82	3.89	-9.54	-2.46	2.19	-4.47	-0.29
Greece	25.15	-4.55	-27.11	-1.41	-15.66	16.30	-8.21	8.17	13.00
Hong Kong	0.35	10.41	-10.58	-6.86	-6.94	-5.69	1.46	9.16	0.15
Hungary	12.05	-14.26	-12.22	-7.71	-6.49	0.55	8.81	-3.83	-2.00
Iceland	32.98	-26.60	-23.47	60.28	-43.03	10.47	-11.55	-6.89	17.77
India	-11.97	-6.81	-13.88	16.23	-9.23	-2.72	-8.31	7.36	-2.72
Indonesia	-2.49	-11.05	-4.78	-8.94	-13.95	-1.46	9.93	1.09	4.86
Japan	0.10	-0.23	-16.34	-6.70	-13.44	-12.05	-4.98	10.65	8.61
Korea, Republic of	0.38	-3.25	-22.28	-3.68	-14.34	18.97	-0.26	10.24	-9.38
Latvia	12.46	-8.99	-20.66	1.04	-16.89	1.78	-0.65	-2.78	-0.84
Lithuania	0.42	-13.56	-15.37	-3.37	-13.23	-4.22	-7.27	-0.62	4.51
Malaysia	0.61	-15.23	-0.84	-11.43	-10.96	8.97	-8.88	2.00	3.13
Malta	6.21	-2.04	-34.76	35.82	-24.60	-3.25	8.03	4.05	-11.80
Mexico	-0.94	-7.54	-12.21	-2.19	-12.67	1.63	5.11	-5.13	-4.51
New Zealand	-15.73	8.11	-12.82	3.62	-11.17	-6.77	9.41	0.34	3.98
Norway	-10.81	-2.29	-11.13	-3.22	-12.37	4.49	-1.79	-11.03	-0.24
Peru	-6.30	-11.75	-11.07	-12.71	-7.06	11.40	0.07	-4.56	12.13
Romania	4.17	4.18	-25.94	-9.50	-5.57	0.07	17.28	-10.25	3.73
Russian Federation	-2.71	-11.98	-21.89	-9.01	-26.96	-1.12	1.36	3.17	5.21
Singapore	1.18	-12.32	-11.90	-8.01	-11.00	11.34	-2.89	4.53	-1.38
Slovakia	10.00	-0.89	-21.53	-8.73	-11.10	3.51	7.67	2.56	-11.64
Slovenia	15.06	-8.03	-19.75	-3.93	-5.83	1.81	0.45	-3.49	3.20
South Africa	-0.86	-11.25	-20.75	-9.84	-17.00	15.75	10.02	-12.98	2.99
Sweden	4.16	-8.61	-20.30	-0.84	-9.42	1.01	-2.42	-1.46	1.69
Switzerland	3.73	-1.55	-12.93	-4.03	4.86	-6.08	-3.73	10.36	-6.13
Taiwan, Province of China	-12.86	-6.58	-17.88	-14.87	-5.41	18.49	-2.02	-1.67	7.52
Thailand	-0.34	-6.10	-20.74	3.09	-6.78	9.86	-9.57	0.27	2.28
Turkey	11.39	-24.50	-2.75	-15.79	9.09	4.64	-11.01	-3.04	-6.99
United States	-8.25	-0.15	-8.52	-5.37	-7.81	-0.17	-3.59	-0.95	0.95
Uruguay	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Balanced Average	1.74	-7.37	-15.40	-1.31	-12.18	2.89	0.06	0.73	0.21

Source: Datastream and International Financial Statistics. Note: Data reported in national currency is converted to current U.S. dollars using average monthly nominal exchange rates. Series are deflated using the U.S. CPI index and deseasoned using country specific time dummies. n.a. indicates not available.

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Table 4: Month-to-Month Import Growth
(Percentage Change in Constant U.S. Dollars – Seasonally Adjusted)

Country	Imports								
	September	October	November	December	January	February	March	April	May
Argentina	6.91	-4.68	-17.09	-10.36	-18.61	2.37	-2.25	-4.56	-10.28
Australia	7.57	-15.25	-4.78	4.17	-14.74	-1.11	-2.59	3.95	-8.01
Bulgaria	4.19	-0.19	-23.62	-2.27	-28.10	8.24	2.98	-5.94	4.34
Canada	5.24	-4.98	-12.51	3.00	-15.57	0.50	-7.00	5.24	-8.10
Chile	-1.18	-2.75	-26.47	8.37	-20.96	0.30	-6.92	11.60	-13.72
China	-1.29	-8.16	-21.62	-5.23	-20.25	21.58	3.72	7.47	0.09
Croatia	10.77	-14.15	-18.11	5.51	-21.43	4.34	3.81	-3.39	-9.63
Cyprus	5.38	-13.68	-10.94	-3.76	-11.07	-0.03	1.70	-11.51	10.59
Czech Republic	15.76	-5.74	-20.11	-3.02	-10.41	-6.53	8.77	-5.99	-2.08
Denmark	5.13	-6.66	-16.70	7.68	-1.93	-9.14	-5.35	1.67	0.39
Ecuador	8.69	-0.30	-15.99	4.17	-13.42	-10.84	-0.54	-8.73	5.69
Estonia	6.16	-4.94	-22.62	4.98	-21.92	-3.03	-2.81	-5.61	-2.61
Finland	5.69	-11.46	-18.04	4.26	-17.38	-2.02	-1.50	-7.55	0.67
France	5.62	-5.23	-14.91	1.66	-10.18	0.25	-1.30	0.14	-2.16
Germany	3.08	-6.63	-12.64	2.32	-7.46	-3.76	-0.07	-4.63	-1.22
Greece	18.94	-4.14	-18.67	0.21	-14.13	2.61	0.98	-7.62	-1.37
Hong Kong	0.95	10.50	-13.06	-8.82	-10.26	4.33	-4.30	10.46	-0.85
Hungary	10.79	-13.14	-13.41	-6.64	-3.37	-9.23	5.75	-6.33	-6.57
Iceland	4.98	-31.66	-7.17	-7.09	9.78	-8.97	-26.38	17.11	-8.95
India	-9.77	-12.34	1.41	-13.66	-13.76	-14.20	7.90	2.32	-4.78
Indonesia	-7.69	-2.73	-11.34	-13.13	-16.08	-5.95	0.53	3.25	12.25
Japan	3.00	-1.45	-13.88	0.47	-12.18	-16.86	-0.22	1.07	-3.59
Korea, Republic of	-1.61	-10.42	-18.37	-6.45	-4.21	-5.88	-3.99	5.35	-5.80
Latvia	14.65	-10.86	-22.26	4.64	-18.00	-6.84	-5.51	-9.55	-2.62
Lithuania	3.49	-16.79	-18.74	1.68	-24.47	-1.90	-4.81	-11.30	14.82
Malaysia	-2.84	-9.78	-5.23	-14.41	-9.95	1.89	-8.88	14.16	-0.88
Malta	16.54	-28.48	-10.32	28.45	-10.18	-17.51	-5.81	9.64	-2.69
Mexico	2.10	-6.61	-13.51	-4.86	-11.70	-3.00	2.30	-7.31	-6.00
New Zealand	-5.68	-1.75	-19.92	5.60	-18.38	-9.38	11.76	-0.63	-4.46
Norway	14.16	-18.48	-13.51	7.90	-13.92	0.58	0.19	-2.68	-0.12
Peru	12.08	-2.91	-20.91	-4.89	-7.40	-8.44	-3.68	2.67	-10.90
Romania	15.32	-9.46	-26.47	-10.14	-18.68	5.19	0.61	-2.32	-3.92
Russian Federation	2.34	-1.38	-20.34	4.98	-46.90	15.47	-1.01	0.50	-4.86
Singapore	7.53	-10.45	-14.54	-8.54	-8.90	7.04	-10.38	4.42	4.46
Slovakia	12.18	-3.53	-17.10	-8.16	-6.32	-7.65	6.70	-8.30	-2.07
Slovenia	8.37	-4.68	-24.51	1.42	-14.54	-1.30	0.14	-5.25	0.29
South Africa	7.32	-13.09	-17.56	-3.87	0.32	-15.58	12.40	-13.86	-1.38
Sweden	0.40	-8.08	-18.00	-7.49	-6.97	0.39	0.59	-4.37	0.52
Switzerland	5.95	-5.04	-13.85	4.64	-6.09	3.25	-0.18	-8.45	1.95
Taiwan, Province of China	-15.44	-17.30	-10.11	-21.36	-21.00	38.82	-12.97	6.93	5.66
Thailand	-2.37	-1.05	-14.68	-10.52	-19.75	-7.31	3.94	8.84	-8.16
Turkey	-7.51	-16.10	-19.46	-9.60	-4.05	-4.92	3.26	-2.69	0.65
United States	-3.74	-1.04	-16.21	0.41	-10.43	-7.58	-0.79	0.30	-3.59
Uruguay	-3.19	-4.24	-26.00	4.75	-20.07	11.23	-7.19	-1.94	0.77
Balanced Average	4.29	-8.21	-16.22	-1.66	-13.52	-1.38	-1.10	-0.76	-1.64

Source: Datastream and International Financial Statistics. Note: Data reported in national currency is converted to current U.S. dollars using average monthly nominal exchange rates. Series are deflated using the U.S. CPI index and deseasoned using country specific time dummies. n.a. indicates not available.

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**Table 5: U.S. Export Growth Decomposition
(Price and Quantity)**

Industry	Value	Price	Quantity
Animal & Animal Products	-11	-4	-7
Vegetable Products	-26	-11	-15
Foodstuffs	-6	1	-7
Mineral Products	-30	-25	-5
Chemicals & Allied Industries	-10	3	-14
Plastics / Rubbers	-30	-8	-22
Raw Hides, Raw Hides, Leather & Furs	-32	-18	-14
Wood & Wood Products	-19	-3	-16
Textiles	-22	-3	-19
Footwear / Headgear	-5	27	-32
Stone / Glass	-41	-8	-33
Metals	-29	-9	-20
Machinery / Electrical	-24	-3	-21
Transportation	-50	5	-55
Miscellaneous	-15	-1	-14
Total	-27	-4	-23

Source: U.S. I.T.C. and authors' calculations. Note that the "Value" column represents the percent change in exports during the first quarter of 2009 relative to the same quarter of the previous year. The sum of "Price" and "Quantity" columns approximately add to the value column.

**Table 6: U.S. Import Growth Decomposition
(Price and Quantity)**

Industry	Value	Price	Quantity
Animal & Animal Products	-8	-4	-4
Vegetable Products	-6	-5	-1
Foodstuffs	-5	0	-5
Mineral Products	-52	-46	-5
Chemicals & Allied Industries	-12	-3	-9
Plastics / Rubbers	-23	-2	-21
Raw Hides, Raw Hides, Leather & Furs	-14	-10	-5
Wood & Wood Products	-26	0	-26
Textiles	-13	-1	-13
Footwear / Headgear	-6	10	-16
Stone / Glass	-38	9	-46
Metals	-25	-6	-19
Machinery / Electrical	-22	-6	-16
Transportation	-47	-1	-46
Miscellaneous	-17	-6	-12
Total	-31	-14	-17

Source: U.S. I.T.C. and authors' calculations. Note that the "Value" column represents the percent change in exports during the first quarter of 2009 relative to the same quarter of the previous year. The sum of "Price" and "Quantity" columns approximately add to the value column.

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Table 7: U.S. Import Growth by Industry
(in U.S. dollars relative to the same month last year)

Industry	September	October	November	December	January	February	March	April	May
Animal & Animal Products	7.45	-2.20	-4.00	0.69	-7.90	-13.11	-2.97	0.28	-10.56
Vegetable Products	24.20	18.58	6.59	11.26	-1.23	-8.02	-9.72	-14.36	-18.52
Foodstuffs	19.76	7.93	-3.15	4.66	-6.03	-9.50	0.28	-13.65	-8.66
Mineral Products	34.01	25.18	-27.90	-35.23	-50.02	-53.61	-50.74	-54.76	-55.79
Chemicals & Allied Industries	26.42	14.00	-3.14	13.34	-11.14	-19.13	-9.60	-10.75	-20.00
Plastics / Rubbers	13.98	8.10	-0.58	-5.97	-14.52	-31.11	-21.55	-30.31	-27.29
Raw Hides, Raw Hides, Leather & Furs	8.28	-1.12	-9.71	-5.08	-3.76	-25.90	-14.21	-22.30	-23.40
Wood & Wood Products	-5.41	-9.97	-15.64	-16.85	-25.77	-27.80	-26.02	-32.76	-31.56
Textiles	2.01	-0.40	-10.41	-4.58	-9.40	-19.09	-11.20	-15.66	-18.21
Footwear / Headgear	7.37	7.31	-3.86	-1.19	5.00	-19.77	-6.77	-16.17	-13.55
Stone / Glass	8.49	-14.91	-24.18	-20.14	-34.48	-41.53	-34.38	-30.45	-38.89
Metals	25.29	15.59	1.65	-5.95	-13.01	-33.68	-33.09	-47.01	-49.27
Machinery / Electrical	4.49	-4.26	-16.17	-13.18	-19.46	-26.19	-21.45	-26.33	-26.05
Transportation	-10.79	-21.79	-26.51	-21.05	-42.71	-51.49	-45.28	-47.22	-48.33
Miscellaneous	4.68	-1.63	-11.16	-5.90	-14.20	-26.35	-14.42	-22.64	-23.49
Total	11.59	2.61	-16.02	-14.58	-26.59	-34.14	-28.94	-34.35	-35.98

Source: U.S.I.T.C. and authors' calculations.

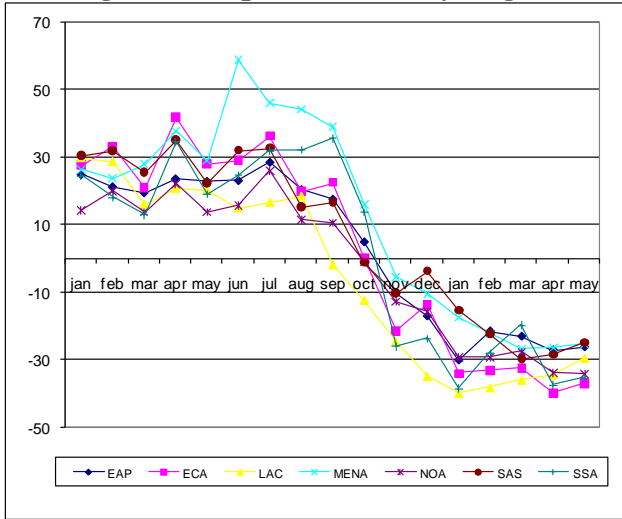
Table 8: Japan's Import Growth by Industry
(in Japanese Yen relative to the same month last year)

Industry	September	October	November	December	January	February	March	April	May
Animal & Animal Products	12.04	7.08	-7.73	-7.05	-9.00	-15.74	-21.81	-13.36	-21.71
Vegetable Products	49.33	25.33	-5.71	-8.01	-25.68	-32.74	-23.53	-25.61	-35.13
Foodstuffs	9.44	-2.34	-16.58	-3.38	-6.43	-18.17	0.34	-16.61	-17.05
Mineral Products	62.17	29.96	-12.55	-29.80	-42.38	-50.77	-50.38	-48.03	-56.25
Chemicals & Allied Industries	24.09	3.96	-5.29	-3.96	-15.08	-27.65	-21.03	-15.14	-31.28
Plastics / Rubbers	26.07	7.87	-0.53	-3.89	-18.11	-42.29	-35.63	-37.15	-42.35
Raw Hides, Raw Hides, Leather & Furs	0.90	-14.41	-22.48	-16.52	-7.29	-33.25	-9.48	-21.09	-27.08
Wood & Wood Products	13.93	2.54	-8.46	-7.73	-12.67	-20.36	-21.24	-19.64	-27.79
Textiles	11.67	-1.69	-9.36	-1.96	3.29	-31.40	3.71	-5.64	-18.72
Footwear / Headgear	15.69	-0.09	-5.58	-2.21	-0.19	-24.10	4.89	-1.30	-13.50
Stone / Glass	16.77	4.36	-23.65	-38.91	-37.92	-58.48	-46.93	-42.13	-51.31
Metals	13.81	5.16	-15.04	-22.78	-35.86	-56.44	-53.03	-62.37	-66.20
Machinery / Electrical	5.78	-8.64	-20.37	-24.95	-34.56	-42.38	-35.48	-32.64	-29.91
Transportation	3.73	-34.99	-36.25	-25.05	-49.08	-47.09	-34.19	-39.22	-47.82
Miscellaneous	7.93	-7.26	-19.98	-16.21	-30.70	-35.97	-24.08	-23.81	-28.66
Total	28.98	7.85	-14.80	-21.74	-31.92	-43.01	-36.70	-36.08	-42.67

Source: Ministry of Finance, Japan, and authors' calculations.

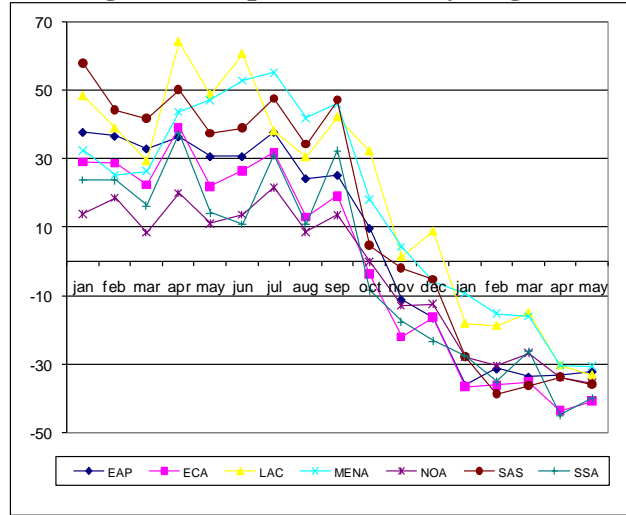
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Figure 1: Export Growth by Region



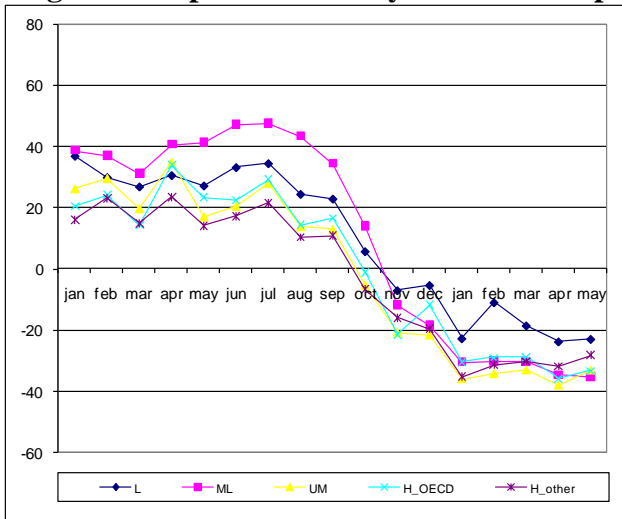
Source: Datastream, U.S. Commerce Department and authors' calculations. Simple average of growth rates across economies within regions for a balanced sample of 60 economies reporting data. *South Africa is the only Sub Saharan country with available data.

Figure 2: Import Growth by Region



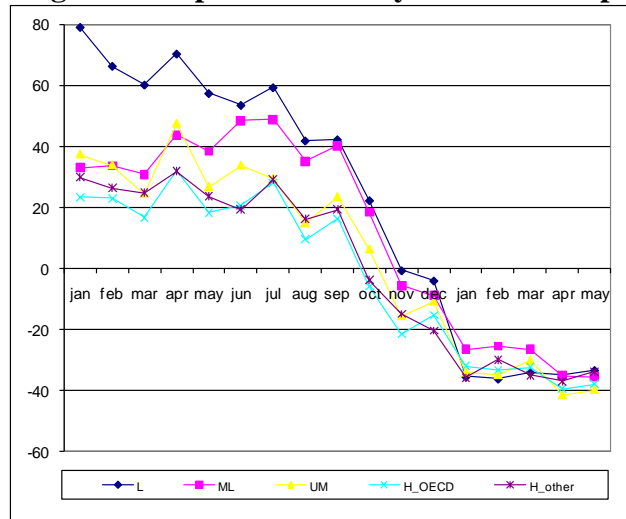
Source: Datastream, U.S. Commerce Department and authors' calculations. Simple average of growth rates across economies within regions for a balanced sample of 60 economies reporting data. *South Africa is the only Sub Saharan country with available data.

Figure 3: Export Growth by Income Group



Source: Datastream, U.S. Commerce Department and authors' calculations. Simple average of growth rates of economies in income groups for a balanced sample of 60 economies reporting data.

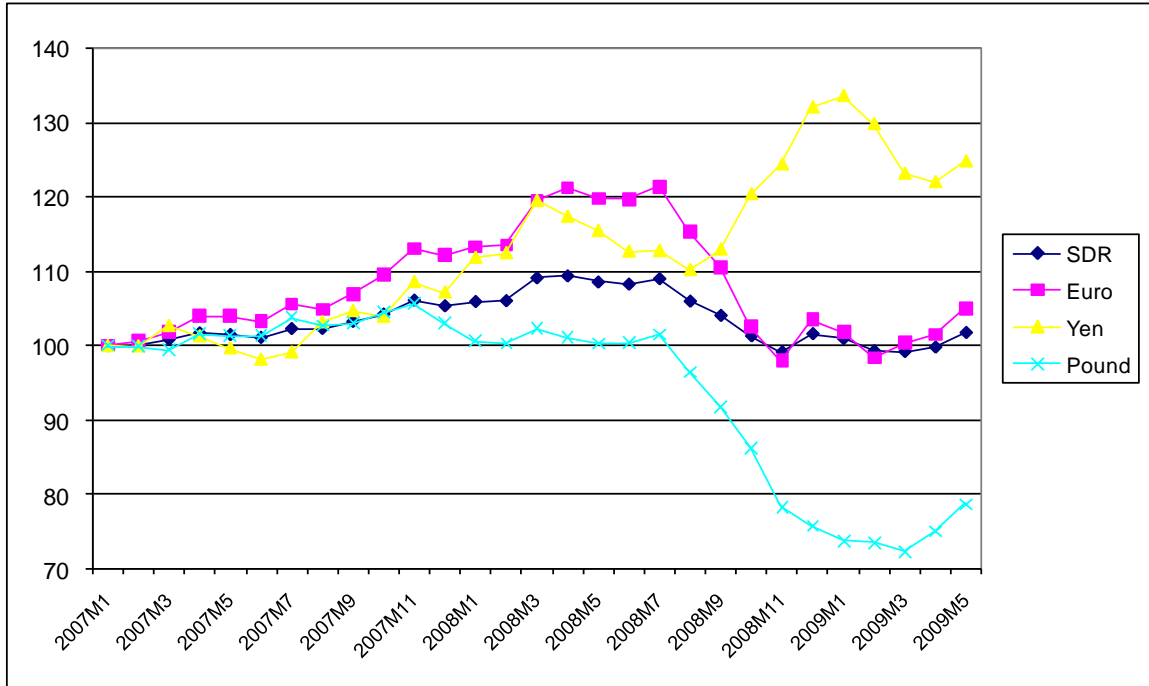
Figure 4: Import Growth by Income Group



Source: Datastream, U.S. Commerce Department and authors' calculations. Simple average of growth rates of economies in income groups for a balanced sample of 60 economies reporting data.

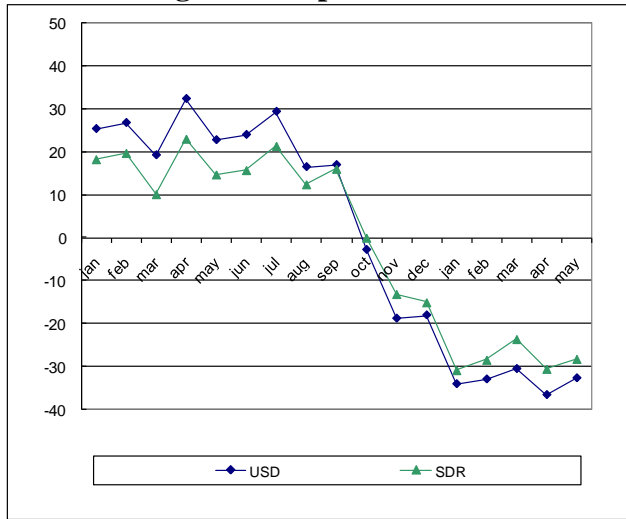
JULY TRADE WATCH

Figure 5: Normalized Exchange Rates



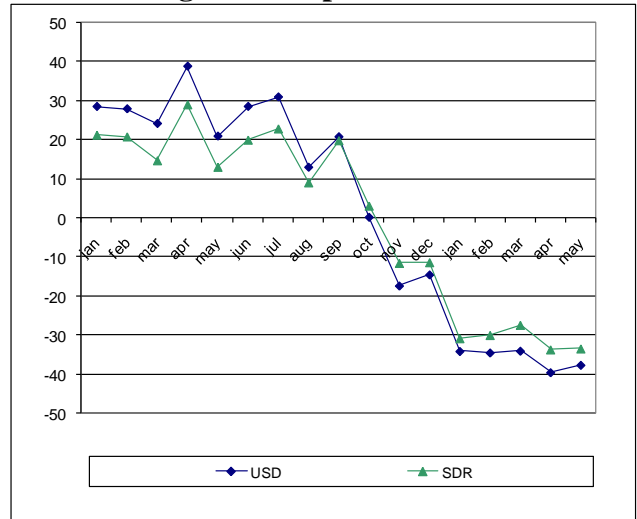
Source: Datastream and authors' calculations. U.S. Dollars per foreign currency

Figure 6: Export Growth



Source: Datastream, U.S. Commerce Department and authors' calculations. Simple average of growth rates of economies for a balanced sample of 60 economies reporting data.

Figure 7: Import Growth



Source: Datastream, U.S. Commerce Department and authors' calculations. Simple average of growth rates of economies for a balanced sample of 60 economies reporting data.