

## Up on the month, but no turnaround for world trade in October

World trade volumes increased by 1.1% in October, reversing last month's fall. But forward indicators remain weak and reversing recent increases in tariffs remains as challenging as ever for the US, China and the EU



Most regions in the world recorded positive growth in trade volumes on the month, though the less volatile measure of momentum in world trade (growth in the three months to October on the previous three months) grew less quickly than last month.

The wider set of international trade [indicators monitored by the WTO have tracked the broad-based nature of the slowing momentum of international trade in recent months, with ports and air freight handling lower volumes, and customs recording lower imports of electronic components and agricultural raw materials](#). Indicators of near-term demand, new export orders, and automobile production and sales have also continued to weaken.

In the meantime, details are emerging from efforts to avoid new increases in US import tariffs in 2019. While negotiations continue ahead of a 1 March deadline, China has resumed buying US soybeans and agreed to reduce tariffs on cars imported from the US from 40% to 15% from 1

January 2019, reversing the increase imposed in July. With formal negotiations with the EU yet to get underway, car manufacturers have reportedly been in direct talks with the US. These developments don't address the large differences between the US and its major trade partners, which negotiators will confront in the new year.