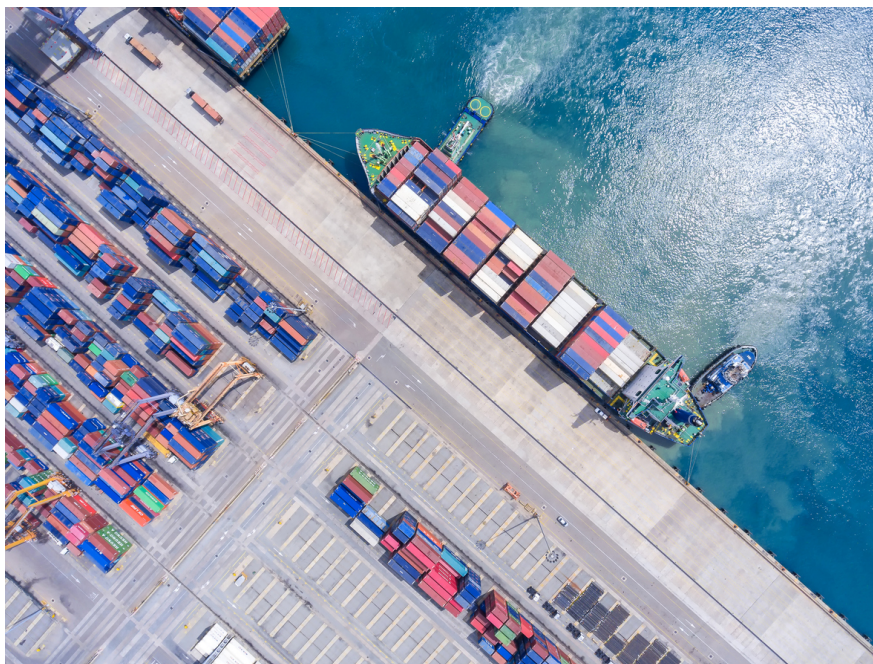


World trade: not living up to expectations

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While economic growth has been surprisingly strong in most regions in recent months, world trade stopped growing in September. The main driver was a fall in import demand in the US and Japan, with the US recording a slowdown on the quarter as well as in the more volatile monthly data.

0%

World Trade Growth

(September)

For most of 2017 growth in world trade has been rising in annual terms, but mainly because of the exceptionally weak 1H 2016, and subsequent recovery late last year. The lack of momentum in

2017 is beginning to look like a puzzle against the backdrop of global GDP growth.

If the pace of recent quarters is maintained, trade in 2017 will be just under 4.5% higher than in 2016, higher than in recent years, but still mainly reflecting developments in 2016 rather than renewed momentum.

However, continued growth in imports demand across other advanced economies and most emerging economies suggests the coming months may yet see world trade growth end up closer to 5% for 2017 as a whole.