

World trade picture improves but 2014 still below trend
Malaysian Insider
14 Apr, 2014

The World Trade Organization slightly raised its 2014 forecast for growth in global goods trade to 4.7% today, saying it did not expect a return to the historical trend level of 5.3% until 2015.

"If GDP forecasts hold true, we expect a broad-based but modest upturn in the volume of world trade in 2014 and further consolidation of this growth in 2015," WTO Director General Roberto Azevedo told a news conference in Geneva.

Although the 2014 forecast represents a brighter picture than the 4.5% growth that the WTO expected at the time of its last forecast in September, it is still gloomier than its predictions a year ago because the European Union's economic recovery took longer to materialise than expected.

"EU demand has been weighing on world imports for the past couple of years but it's starting to turn around," said WTO economist Coleman Nee.

"We will be watching very closely to see if the recovery in the EU disappoints," Azevedo added.

Azevedo said it was unclear if trade had permanently stopped growing at twice the speed of gross domestic product, which had been the trend until the global economic crisis.

He said 80% of the protectionist policies implemented since 2008 were still in place but he hoped they would be removed as economic growth improved.

"It's not on the level – not even nearly close to the level – that we had after the 1929 crisis. But it's measurable and regrettable."

The WTO does not forecast trade in services, but said that the dollar value of global services exports grew 6% to US\$4.6 trillion in 2013, against 2% growth in 2012. – Reuters, April 14, 2014.

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Source: <http://www.themalaysianinsider.com/business/article/world-trade-picture-improves-but-2014-still-below-trend>