

SOME CONSIDERATIONS REGARDING THE STATEMENT OF THE WORLD COMMODITY TRADE

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Abstract

The paper aimed to present a statistical overview on the world trade of goods in term of export, import and balance value by geographical region and product, the top "players" in the commodity export and import and their market share at global level. Also, it aimed to emphasize the position of the EU-28 in the global trade of goods. In 2013, the world commodity export accounted for USD 18,301 Billion and import value was USD 18,498 Billion. The export growth rate was 3.5 % exceeding the global GDP growth rate of only 2% in the period 2005-2013. The top countries in the world commodity export based on the export value and their market shares are: China (12 %), USA (8.6 %), Germany (8 %), and Japan (3.8 %). The top countries in the global import of goods and their market share are USA (12.3 %), China (10.3 %), Germany (6.3 %), and Japan (4.4%). Three biggest economic "players": the EU-28, the USA and China have created a new distribution of the economic powers. In the prospect of 2030, these three economic poles will carry out more than 50 % of the global output. Europe is the most powerful economic region and player in the international trade of commodities. The emerging economies have a faster development and are more involved in the international trade of goods. The commerce with commodities will continue to grow at a lower rate than before because of the slow growth of the global GDP. As a conclusion, the policy makers both in the emergent and non emergent economies should take the best decisions at national, regional and international levels on the participation at the international trade and evaluate their impact on the economic development.

Key words: commodity export, commodity import, geographical distribution, top countries, world trade

INTRODUCTION

International trade is compulsory for the economic development both at the global, regional and national level, because of the immobility of the production factors, the differences regarding the geographical and climate conditions, the unequal distribution of the natural resources, the various market conditions, currency systems and transfer expenses (Popescu Agatha, 2012) [9]

The importance of trade has deeply increased during the last 25 years. Since 2002, it was anticipated that the liberalisation of the WTO accession commitments and the Doha Round of multilateral trade negotiations will bring new "actors" in the international market. (Edwards, 2002) [9]

The fast economic development of the emergent economies and the distinguished presence of three biggest economic "players" represented by the EU-28, the USA and China

have created a new distribution of the economic powers.

The global financial and economic crisis starting from 2008 affected the global output and international trade as well, the commodity trade being significantly contracted compared to the world output. Despite that the international trade has recovered quickly since 2010, and it is expected to continue to expand in the future but at lower rates than in the previous decades. [4]

In the prospect of 2030, this situation is expecting not to change, the forecast provides that these three economic poles will continue to carry out more than 50 % of the global output (Gros et al., 2013) . [3]

The ratio between the world exports to the global GDP increased from about 20% in the early 1990s to over 30% the year 2008 and after a slight decline to 27 % it increased again to 30 % in 2014[6].

The fast trade growth has deeply influenced

manufactured goods. The ratio between commodity exports and manufacturing output for the strongest economies: the US, the EU and Japan reached 80 %, being higher than the ratio between commodity exports and GDP. [3, 8]

One of the major trends of the global economy is the shift of economic power from the USA and the EU to the large developing economies. China, India, and Brazil are continuously growing economic powers facing challenges and opportunities for the USA economic interest and leadership of the world economy. (Ahearn, 2011). [1]

Economic growth is slower in the developed economies which still keep the most important opportunities. Europe is the most powerful economy and player in the international trade, followed by the North and Latin America, as well as by the emerging Asian economies (Ip et al., 2014) [5].

The weak points of the international trade are the low demand and the demand structure of the world GDP for a long run and as a result the low world trade growth rate. Even thou, the global GDP will recover and this will be done at a lower rate with a deep impact on the global trade which will also grow at a lower rate than before. [10]

In this context, the paper aimed to present the statistical overview on the world trade of goods in term of export, import and balance value by geographical region and product, the top "players" in the commodity export and import and their market share. Also, it aimed to emphasize the position of the EU-28 in the global trade.

MATERIALS AND METHODS

The study is based on various information sources such as WTO, OECD, IMF, WB Reports and statistical data bases where the data were collected from and then processed using the usual methods available to point out the dynamics of the trade items in terms of value, annual percentage change, and market share, both at global level and at regional level. The main players in the field of commodity export and import were ranked based on their contribution to the global trade.

The statement of the global trade is presented in figures for the year 2013, as a final year of statistical information available on WTO date bases.

RESULTS AND DISCUSSIONS

The world commodity export accounted for USD 18,301 Billion in the year 2013.

The 160 WTO member states registered USD 17,800 Billion export value, representing 97.26 % of the world commodity export value. Among these WTO member states, a number of 10 large exporting countries accounted for 52 % of the world commodity export value and 43 % was achieved by the developing economies.

The geographical distribution of the world commodity export value has pointed out that the world leader is Europe which carried out 36.3 % of the world export. It is followed by Asia with 31.5 % market share and North America with 13.2 %. (Table 1, Fig.1.)

Table 1. The world commodity export by geographical region in 2013

Geographical region	Commodity export value USD Billion	Share (%)
WORLD	18,301	100.0
North America	2,418	13.2
Central and South America	736	4.0
Europe	6,646	36.3
Middle East	1,347	7.4
Asia	5,773	31.5
CIS	779	4.3
Africa	602	3.3

Source: World Trade Development, 2014, www.wto.org [12]

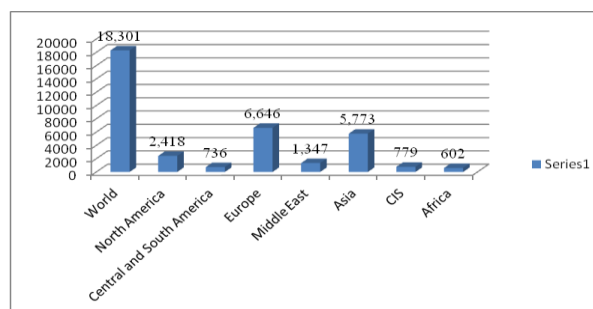


Fig.1. World commodity export by geographical region in 2013 (USD Billion)

Source: Own design

The top countries by geographical region in the world commodity export value are: in North America: USA, Canada and Mexico, in Central and South America: Brazil and Argentina, in Europe: Germany, France, Italy and United Kingdom, in Asia: China, Japan, India, Australia and New Zealand, and in Africa: South Africa.(Table 2)

Table 2. The top countries by region in the world commodity export value in 2013 (USD Billion)

Region	Country/Commodity export value USD Billion	Share in the world commodity export value (%)
WORLD	18,301	100.0
North America	2,418	13.2
	1.USA	8.6
	2.Canada	2.5
	3.Mexico	2.1
Central and South America	736	4.0
	1.Brazil	1.3
	2.Argentina	0.4
Europe	6,646	36.3
	1.Germany	7.9
	2.France	3.2
	3.Italy	2.8
	4.United Kingdom	3.0
Middle East	1,347	7.4
Asia	5,773	31.5
	1.China	12.1
	2.Japan	3.9
	3.India	1.7
	4.Australia and New Zealand	1.6
CIS	779	4.3
Africa	602	3.3
	1.South Africa	0.5

Source: World Trade Development, 2014, www.wto.org, [12]

The distribution of the world commodity export value by country group depending on the economic development is the following one: 55.5 % countries with developed economies, 39 % countries with developing economies and 5.3 % LDC -least developing countries (Table 3).

The distribution of the world commodity export by product group pointed out that in the top there are the manufactured

commodities, with 64.73 % share in the total world export value. Machinery and equipments represented 32.41 %, fuels and mining products represented 21.84 %, and chemical products 10.93 %. Agricultural products represented 9.53 %, and food products 7.96 %. Clothing products accounted for 2.51 %.(Table 4).

Table 3. The world commodity export by country groups depending on the economic development in 2013

Economic development group	Commodity export value (USD Billion)	Share in total world (%)
WORLD	18,301	100,0
Developed economies	10,195	55.7
Developing economies	7,138	39.0
LDC-Least developing economies	264	5.3

Source: World Trade Development, 2014, www.wto.org

Table 4. The world export value by main products in 2013 (USD Billion)

Product group	Commodity export value (USD Billion)	Share in total world (%)
Manufactured products	11,848	64.73
Machinery and transport equipments	5,932	32.41
Fuels and mining products	3,997	21.84
Chemicals	2,001	10.93
Agricultural products	1,745	9.53
Food products	1,457	7.96
Other semiindustrialized	1,153	6.30
Clothes	460	2.51

Source: World Trade Development, 2014, www.wto.org [12]

According to World Trade Organisation, **the classification of the countries by class of commodity export value** in 2013 was presented as follows:

-Over USD 1,000 Billion: USA, China, Japan, France, Germany, United Kingdom and the Netherlands.

-Between USD 500 and 1000 Billion: Canada, Mexico, Russia, India, Spain, Italy

and the Arabian Emirates.

- **Between USD 250-500 Billion:** Australia, Indonesia, Brazil, Turkey, Sweden, Poland, Austria, Switzerland.

- **Between USD 0-250 Billion-** the rest of the world.

The developing countries accounted for 52 % of the world commodity export value. Of these percentages, 10 % is exported to China, 4 % to India, 2 % to Brazil, 2 % to the LDCs, 1 % to Russia and 1 % to South Africa, and 32 % to others.

In addition, 30 % of the developed countries export is directed to the developing countries.

The commodity export growth rate. In 2013 compared to 2012, the world commodity export value increased by 2.5 % compared to the GDP growth rate, which accounted just for 2 %.

In the period 2005-2013, the growth rate of the world commodity export was 3.5 %, compared to 2 % in case of the world GDP.

The highest growth rate of the world commodity export value was registered in the year 2006, accounting for 8.5 % compared to 2005.

In the year 2009, at the beginning of the world economic crisis, the growth rate was a negative one, -12 %, regarding the world commodity export, but even the world GDP recorded a negative growth rate of -2,5 %.

Table 5. The growth rate of the commodity world export compared to the world GDP growth rate in the period 2005-2013 (%)

Period/Year	Growth rate (%)	
	World commodity export	World GDP
2005-2013	3.5	2.0
2005	6.5	3.5
2006	8.5	4.0
2007	6.5	4.0
2008	2.5	1.5
2009	-12.0	-2.5
2010	14.0	4.0
2011	5.5	2.5
2012	2.5	2.0
2013	2.5	2.0

Source: World Trade Development, 2014, www.wto.org [12]

Since 2010, the world economy started recover and the commodity export as well, but it was not reached the level registered before the crisis so far.(Table 5, Fig.2.).

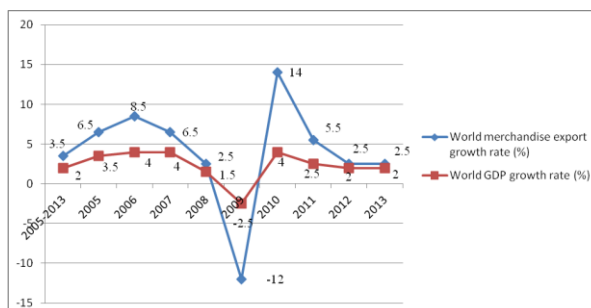


Fig.2. World commodity growth rate compared to World GDP growth rate in the period 2005-2013 (%)
 Source: Own design.

Asia is in the top, having a growth economic rate of 4.5 %, and North America recorded 3 % increase compared to 2012.

The highest growth rate for the commodity import was recorded by Middle East, 6 %, in 2013 compared to 2012. Asia registered 4.5 % growth rate.

The top countries in the world commodity export, considered separately and also cumulating their commodity export and value, are China, USA, Germany, Japan, France and the Netherlands (Table 6).

Table 6. Top countries in the world trade based on their commodity export and import value in 2013

Country	Commodity export value USD Billion	Commodity import value USD Billion	Export + Import Value USD Billion
1.China	2,209	1,950	4,159
2.USA	1,570	2,339	3,909
3.Germany	1,470	1,150	2,620
4.Japan	700	848	1,548
5.France	570	700	1,270
6.The Netherlands	670	600	1,270

Source: World Trade Development, 2014, www.wto.org, [12]. Own calculation.

The share of the commodity export in the GDP positioned 4 countries in the top as follows: Germany (7.3 %), USA (4.5 %), China (2.8 %), and Japan (2.4 %)(Table 7).

The top countries in the world commodity export based on the export value and their

market shares are: China (12 %), USA (8.6 %), Germany (8 %), Japan (3.8 %), The Netherlands (3.7 %), France (3.1 %), Rep. Korea (3 %), United Kingdom (2.9%), Hong Kong China (2.8 %), Russian Fed. (2.8 %), Italy (2.8 %), Belgium (2.5 %), Canada (2.5 %), Singapore (2.2 %) and Mexico (2.1 %). (Table 8).

Table 7. The commodity trade, the trade balance and the weight of the trade in GDP: China, USA, Germany and Japan- World leaders in the world commodity trade in 2013

Country	Export + Import USD Billion	Trade balance USD Billion	The share of the trade in GDP %
China	4,159	+259	2.8
USA	3,909	-750	4.5
Germany	2,620	+264	7.3
Japan	1,548	-118	2.4

Source: World Trade Development, 2014, www.wto.org, [12]. Own calculation.

Table 8. Top 15 countries in the world commodity export in 2013

Crt.No.	Country	Commodity export USD Billion	Market share (%)
0	WORLD COMMODITY EXPORT	18,301	100.0
1	China	2,209	12.0
2	USA	1,570	8.6
3	Germany	1,470	8.0
4	Japan	700	3.8
5	The Netherlands	670	3.7
6	France	570	3.1
7	Rep. Korea	560	3.0
8	United Kingdom	542	2.9
9	Hong Kong China	536	2.8
10	Russian Fed.	523	2.8
11	Italy	518	2.8
12	Belgium	469	2.5
13	Canada	458	2.5
14	Singapore	410	2.2
15	Mexico	380	2.1

Source: World Trade Development, 2014, www.wto.org, [12], Own calculation.

The value of the world commodity import accounted for USD 18,409 Billion in 2013.

The distribution of the commodity export by geographical region was the following one: Europe 35.8 %, Asia 31.8 %, North

America 17.4 %, Central and South America 4.2 %, CIS 3.1 %, Africa 3.4 % and Middle East 4.3 % (Table 9).

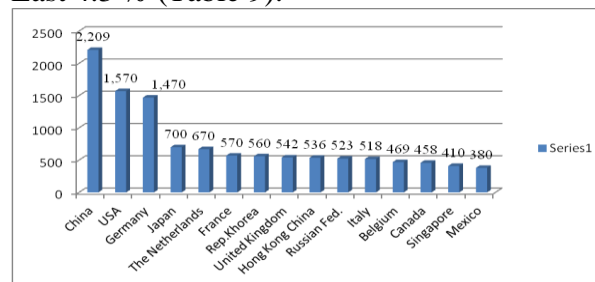


Fig.3. World top countries exporting commodities in 2013 (USD Billion)

Source: Own design.

Table 9. The world commodity import by geographical region in 2013

Region	Commodity import value USD Billion	Share %
WORLD	18,409	100.0
North America	3,203	17.4
Central and South America	773	4.2
Europe	6,590	35.8
CIS	571	3.1
Middle East	792	4.3
Africa	626	3.4
Asia	5,854	31.9

Source: World Trade Development, 2014, www.wto.org [12]

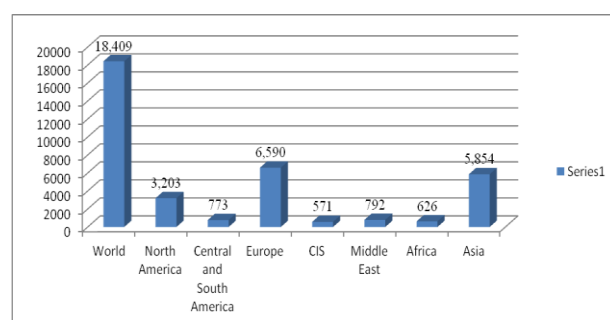


Fig.4. World commodity import by geographical region in 2013 (USD Billion)

The main importing countries of commodities by geographical region are: in North America: USA, Canada and Mexico, in Central and South America: Brazil and Argentina, in Europe: Germany, France, Italy, United Kingdom, in Africa: South Africa, in Asia: China, Japan, India, Australia and New Zealand (Table 10).

The world classification of the top 15 countries based on the commodity import value and their market share included, in

the decreasing order: USA, China, Germany, Japan, France, United Kingdom, Hong Kong China, The Netherlands, Rep. Korea, Italy, Canada, India, Belgium, Mexico and Singapore (Table 11).

Table 10. The distribution of the commodity import value by region and main importing countries in 2013 (%)

Region	Commodity import value/ Country	Share in the world commodity import value (%)
WORLD	18,409	100.0
North America	3,203	17.4
	1.USA	12.7
	2.Canada	2.6
	3.Mexico	2.1
Central and South America	773	4.2
	1.Brazil	1.4
	2.Argentina	0.4
Europe	6,590	35.8
	1.Germany	6.5
	2.France	3.7
	3.Italy	2.6
	4.United Kingdom	3.6
CIS	571	3.1
Middle East	792	4.3
Africa	626	3.4
	1.South Africa	0.7
Asia	5,854	31.8
	1.China	10.6
	2.Japan	4.5
	3.India	2.5
	4.Australia and New Zealand	1.5

Source: World Trade Development, 2014, www.wto.org [12]

The EU-28 is the world leader in the commodity trade. Its export accounted for USD 6,076 Billion, representing 33.20 % of the world commodity export and its import accounted for USD 6,004 Billion, representing 31.70 % of the world commodity import.(Table 12 and 13).

The distribution of the EU-28 export by geographical region. The EU-28 exports mainly in Europe, 69.2 % and at world level, in Asia 9.9 %, in North America 7.5 %, in CIS 3.7 %, in Africa 3.3 %, in Middle East 2.9 % and in Central and South America 2.0 %.(Table 12).

Table 11. Top 15 countries in the world commodity import in 2013

Crt. No.	Country	Commodity import value USD Billion	Market share (%)
0	WORLD COMMODITY IMPORT	18,890	100.0
1	USA	2,329	12.3
2	China	1,950	10.3
3	Germany	1,189	6.3
4	Japan	833	4.4
5	France	681	3.6
6	United Kingdom	655	3.5
7	Hong Kong China	622	3.3
8	The Netherlands	590	3.1
9	Rep.Korea	516	2.7
10	Italy	477	2.5
11	Canada	474	2.5
12	India	466	2.5
13	Belgium	451	2.4
14	Mexico	391	2.1
15	Singapore	373	2.0

Source: World Trade Development, 2014, www.wto.org, Own calculation.

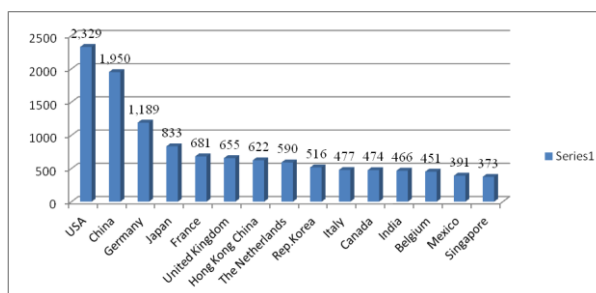


Fig.5. Commodity import in the top importing countries in 2013 (USD Billion)

Source: Own design.

Table 12. The EU-28 commodity export by geographical region in 2013

Region	The EU-28 commodity export USD Billion	Share in the world commodity export (%)
World	6,076,450	100.0
Europe	4,206,096	69.2
Asia	603,492	9.9
North America	457,502	7.5
CIS	226,612	3.7
Africa	201,550	3.3
Middle East	177,151	2.9
Central and South America	118,525	2.0

Source: World Trade Development, 2014, www.wto.org [12]

The distribution of the EU-28 imports by origin. The EU-28 E imports mainly from Europe 67.9 % of its import or at world level, from Asia 12.6 %, from North America 5.3 %, from CIS 5.8 %, from Africa 5.7 %, from Middle East 1.8 % and from Central and South America 1,8 %.(Table 13).

Table 13.The EU-28 commodity import by origin in 2013

Region	The EU-28 commodity importul USD Billion	Share in the world commodity import (%)
World	6,004,045	100.0
Europe	4,079,390	67.9
Asia	756,466	12.6
CIS	345,424	5.8
North America	316,593	5.3
Africa	221,649	3.7
Middle East	108,322	1.8
Central and South America	100,200	1.8

Source: World Trade Development, 2014, www.wto.org [12]

CONCLUSIONS

The dynamic trade flows after 1980 have been determined by the growth of manufactured goods. The world trade dynamics proved a faster growth than the global GDP influenced by the increased importance of the international supply chain in the world economy.

The balance in the world economy and trade is hold by some important players the EU-28, the USA and China, despite that the emerging economies are more and more evident protagonists in the world market.

China has become the largest exporter in the world and also it still keep an important position among the importers of goods.

Despite that the international trade looks to be more regionalized, the diversification of trade structure is a new feature both in the developing and developed countries, and has become an important incentive for the development of the emerging economies and their increasing contribution to the world trade.

This supposes the intensification of the multilateral commercial relationships as a need to grow the international trade.

The "picture" of the global trade is very important to be analyzed by the policy makers both in the developing and developed economies, as they should be the best informed to draw the right decisions and measures at national, regional and international levels on the commercial activities and to evaluate their impact on the economic development.

The strength of the global coherence imposes the development of a strong link between the sustainable development of the world economy and the international trade.

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