

TRENDS IN THE WORLD AND EU-28 MERCHANDISE TRADE

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Abstract

The paper analyzed the dynamics and the main trends in the world and the EU-28 trade with commodities in the period 2006-2107 using the WTO data. The data have been comparatively analyzed by regions, type of commodity groups mainly manufactured goods, and agro-food products, and also by Regional Trade Agreements, and in the top exporting and importing countries both at the world level and in the EU-28. World commodity trade have been developing in close connection with the economic growth, but it was affected by economic crisis, US dollar appreciation, low prices of commodities and fuels, inflation, yuan depreciation, low investments and other factors. In 2017, global trade succeeded to recover the exports of goods accounting USD 17.7 Trillion, being by 46.2 % higher than in 2006, while the imports were USD 18 Trillion, by 45.1 % more. The top traders of goods in the world are China, the EU-28, the USA, Germany, Japan, followed by United Kingdom, France, Republic of Korea, Italy, Netherlands Hong Kong China and Canada. Agro-food products represent 10 % of the world trade with goods and their volume is continuously growing, being commercialized by especially by the EU, USA, Netherlands, Germany, France, Brazil, China, Belgium, Spain, Italy, United Kingdom and Canada. Europe and Asia have the highest contribution to the global trade. The WTO 164 members are the key role in the world trade growth. The EU-28 was and still is an important "actor" in the international trade with manufactured goods and agro-food products. The EU top trading countries are: Germany, United Kingdom, France, Netherlands, Italy, Belgium, Spain, Poland, Austria, Sweden, Denmark, Czech Republic and Ireland. The development of a sustainable global trade requires new policies and strategies to support the economic growth and enhance trade with goods and services.

Key words: merchandise trade, world, EU-28, export, import, trends, influence factors, top "trade players"

INTRODUCTION

International trade plays an important role in sustaining the economic development both at the global, regional and national level. The dynamics of trade along the time has completely transformed the world economy, nowadays, more than 25 % of global output being traded [7].

The differences regarding the geographic conditions, natural resources, economic development, market evolution, currency systems, transfer expenses, the impact of climate change are the main factors with a deep influence on the dynamics of the international trade [8, 9].

The evolution of trade is closely related to the growth of the global economy in terms of real GDP.

However, the world economy has continuously to adapt to new challenges as happened in 2008 when the economic crisis

started to affect many countries and diminished the growth rate of real GDP and also the global trade. Despite the sustained efforts made during the last years, at last in 2017, the global economy recovered, In 2011, the economic growth rate reached 3 %, the highest level after the economic crisis.

The development of the world economy will continue but not as fast as before, and new short and long-term policies are required to avoid risks and potential challenges.

The key drivers of the sustainable economic development such as education, research, innovation, investments, reduction of unemployment, job creation, financial support, digitalization, could be taken into account by policy makers. Also, unemployment has to be reduced offering jobs to enhance the contribution to the labor productivity and gross output.

Only in this way, international trade could be developed and the increasing demand for

various goods and services to be better satisfied [3, 12, 15].

Grace to the liberalization of the engagements for becoming WTO members, at present this organization is the strongest in the world trade supporting its continuous development by allowing many countries to give their contributions [2].

The EU-28 is one of the most important exporter and importer of goods and services in the world grace to its economic growth [6].

Nowadays, the global trade is facing new changes concerning the "market players" and the distribution of economic powers, despite that the world trade is dominated by four countries: China, EU-28, USA, and Germany. In the 2030 prospect, is that the "main actors" in the global market will continue to keep their top positions as they will be able to produce more than 50 % of the global output [4].

However, a new trend in the global economy is the movement of the economic power from the USA and the EU to the large developing economies, so that in 2030 it is expected as China, the United States, India, Japan and Germany to be the main players in the world economy [1, 13].

Europe has to strongly fight to keep its position of leader of the world economy, otherwise it will pass on the 2nd position after Asia in the coming future.

But the growth rate of the world trade will continue to be a low one in accordance with the real GDP slow growth. This aspect is deeply determined by the low demand and its structure which is expected to continue in the coming years [16].

The development of global trade has been enhanced by the commercial services whose dynamics is extremely impressive mainly in the last decades. At present, the contribution of commercial services to the world GDP is over 70 % and even more in the high developed countries. The global export with services contributes by over 24 % to the global export. Among other services, tourism and transport have the highest contribution to the world exports and imports. However, the growth rate of services development exceeds

the growth of the trade with commodities [11].

The objectives of this study have been:

- (i) to analyze the evolution of the global commodity trade in the period 2006-2017;
- (ii) to analyze the dynamics of the main commodity groups in the same period;
- (iii) to point out the top 10 countries exporting and importing goods, mainly of manufactures commodities, agricultural products and food products;
- (iv) to evaluate the performance achieved by the Regional Trade Agreements and show their contribution to the global commodity trade;
- (v) to emphasize the role of the EU-28 as leader in the world economy and commodity trade;
- (vi) to identify the new "players" and new trends in the global trade with goods.

MATERIALS AND METHODS

The study is based on the following indicators: volume of global trade with commodities, export and import values for merchandise, manufactured goods, agricultural products, food products, fuels and other commodities, the top countries regarding exports and imports of goods, the contribution of various geographical regions to the commodity trade, the contribution of various Regional Trade Agreements to the world trade, and the role and place of the EU-28 in the international trade with merchandises, by category of goods and by the top players in exports and imports. The analyzed period was 2006-2017 and the empirical data were collected from WTO data base. The fixed indices were used to show the growth in the analyzed period, and also the market shares were determined for each region and each top country at the world and EU-28 level.

The results were tabled and graphically illustrated, and comparatively interpreted. Finally, the main ideas resulting from this research were presented as conclusions.

RESULTS AND DISCUSSIONS

World trade with goods. The world merchandise trade has continuously developed. the growth rate in the period 2006-2017 being 45.95 % for the global exports and 44.97 % for imports.

Exports increased from USD 12.1 Trillion in 2006 to USD 17.7 Trillion in 2017, while imports raised from USD 12.4 Trillion to USD 18 Trillion in the same interval.

In 2017, the merchandise trade increased by 11 % compared to 2016. Asia registered the highest growth rate of the trade volume, 8.1 %, compared to other regions [18].

The general increasing trend of exports and imports in the analyzed period, 2006-2017, was deviated by the 2008 economic crisis, so that in 2009 export value was diminished by 22.3 % and import value by 22.9 % compared to the previous year.

Since 2010, the global trade has started to recover year by year till the years 2015 and 2016 when a decline affected its volume. This situation was caused by many factors, among which the reduction of fuel prices influenced the commodity prices which slowed down, except the prices of energy and food and beverages.

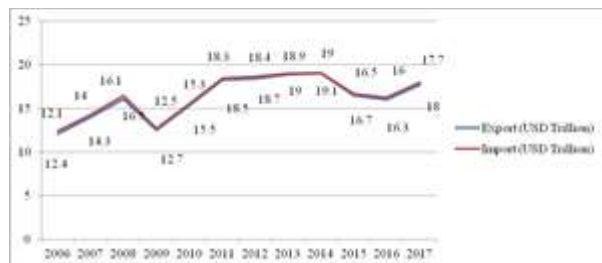


Fig.1. Dynamics of world merchandise export and import, 2006-2017 (USD Trillion)

Source: Own design based on the data from [20].

In 2017, the world trade recovered, increasing by 10.44 % in case of exports and by 10.8 % in case of imports compared to the 2016 level (Fig.1.) [17].

The decline of the global trade with goods in the years 2015 and 2016 was not as high as in the year 2009. But, this time it was caused by the low growth of the global economy and low prices of goods, which had a negative influence on the world demand.

The world economic growth in terms of GDP fell by 2.3 % in 2016 versus 2015 and by 2.7 % in 2015 versus 2014.

Also, the weak economic growth was affected by the low investment spending mainly in the most economically developed countries, such as the USA and China, which led the slowdown of the global trade with merchandises [17].

Also, the fall of export and import prices had a negative impact on the volume of the global trade in 2015 and 2016.

Therefore, the variations of the global economy determined important deviations of the merchandise trade from its general increasing trend.

In 2017, the world real GDP growth was 3.7 %, but it substantially fluctuated in the period 2006-2017, from 5.5 % in 2006 to 5.6 % in 2007, the maximum level, to -0.1 % in 2009, when the global economy was facing the economic crisis (Fig.2).

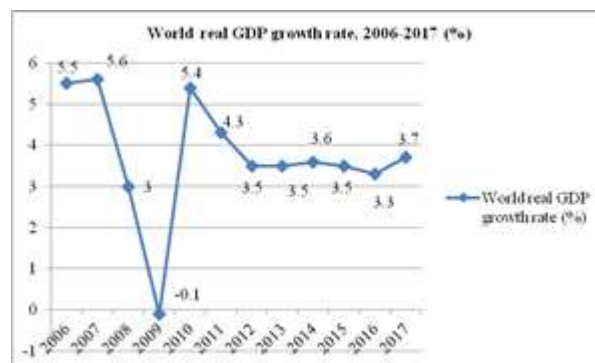


Fig.2. World real GDP growth rate, 2006-2017 (%)

Source: Own design based on the data from [5].

The statistics showed that at the beginning of the 90's, the trade growth rate was 2 times higher than GDP growth rate. Then, it deeply declined in 2009 due to the economic crisis, and after that, the ratio between the growth rate of the trade and the growth rate of GDP started to increase reaching the record of 3.4 in 2010, but then, it diminished again became equal to one in the period 2012-2015, but at present, this ratio is below 1, more exactly 0.6 (Fig.3.)

The appreciation of the US Dollar in 2015 led to lower commodity prices, a reason to restrain exports. The fall of prices affected mainly fuels, agricultural raw materials, commodities. However, the prices of agro-food products have slightly increased (+1.3 %).

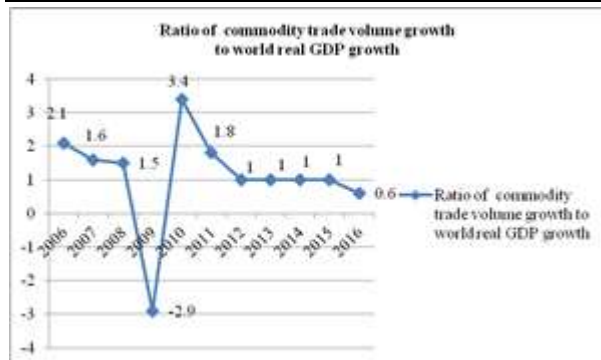


Fig.3. The ratio between the commodity trade volume growth and the world real GDP growth, 2006-2016

Source: Own design based on the data from [19].

In 2016, the depreciation of the yuan, the Chinese currency, has also affected exports of goods.

Imports were negatively influenced by the slow growth of deliveries. In addition, the variations of the world economy development, the raise of inflation, the changes of the fiscal policies and the Brexit affected the volume of global trade.

As the economists affirm and the economic history proved, trade is closely related to economic growth. Any factors affecting the economic development have also an impact on trade dynamics.

The trade policies as well as the level of investment spending have an important role on the evolution of the trade volume [14].

The merchandise trade by region

Taking into account the geographical regions and their economic development, the global trade with commodities had the following situation in the year 2017:

-regarding exports of goods, the decreasing order of the regions and their market share are: Europe (36.7 %), Asia (36 %), North America (13.4 %), Middle East (5.3 %), South and Central America (3.3 %), CIS (2.9), and Africa (2.3 %);

-regarding imports, the descending order of the regions and their market share are: Europe (36.1 %), Asia (33.2 %), North America (18.2 %), Middle East (4 %), South and Central America (3.2 %), Africa (2.9 %) and CIS (2.2 %).(Fig.4.).

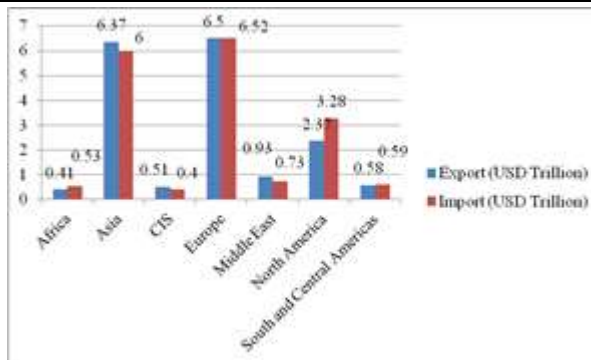


Fig.4. The merchandise trade, export and import by geographic region in 2017 (USD Trillion)

Source: Own design based on the data from [20].

World trade structure by commodity group

The world trade is dominated by manufactures goods, whose share is about 73 %. The share of various commodities in world trade is the following one: manufactured goods 73 %, of which: 12 % chemicals, 11 % office and telecom equipment, 9 % automotive goods, 5 % clothing, 2 % iron and steel and 34 % other goods. On the 2nd position, there are situated fuels with 13 % share, agricultural products 10 %, and 4 % other products [17].

In the analyzed period, the trade with manufactures goods increased from USD 8.4 Trillion in 2006 to USD 11.5 Trillion in 2016, meaning +36.9 %. The trade with fuels registered a decline from USD 2.3 Trillion in 2006 to USD 2.1 Trillion in 2016, meaning by - 9.7 % less. On the 3rd position is the trade with agricultural products, which increased by 77.7 % from USD 0.9 Trillion in 2006 to USD 1.6 Trillion in 2006 [17].

The top "players" in the world merchandise trade

are four countries whose market share is the following one: EU-28 32.9 %, China 11.5 %, USA 11 % and Germany 7.3 %. These countries are followed by Japan, Netherlands, Rep. of Korea, Hong Kong China, France and Italy in case of exports, and in case of imports, by: Japan, United Kingdom, France, Hong Kong China, Rep. of Korea and Italy. However, their hierarchy was affected by changes of position in the analyzed period. The top 10 countries for exports represented 86.6 % in 2006 and 82.6 % in 2017 in the world exports with goods, while the top 10 countries for imports accounted for 90.9 % in 2006 and

81 % in 2017 in the world imports with commodities (Tables 1 and 2).

Table 1. The top 10 countries in the world export with goods, in 2017 compared to 2006

	2006		2017		
	US Trillion	Market share (%)	US Trillion	Market share (%)	
World	12.1	100.0	World	17.7	100.0
1. EU-28	4.60	37.9	1. EU-28	5.90	33.3
2. Germany	1.10	9.1	2. China	2.26	12.7
3. USA	1.02	8.4	3. USA	1.54	8.7
4. China	0.96	7.9	4. Germany	1.44	8.1
5. Japan	0.64	5.3	5. Japan	0.69	3.9
6. France	0.49	4.0	6. Netherlands	0.65	3.6
7. Netherlands	0.46	3.8	7. Rep. of Korea	0.57	3.2
8. United Kingdom	0.45	3.7	8. Hong Kong China	0.55	3.1
9. Italy	0.41	3.4	9. France	0.53	3.0
10. Canada	0.38	3.1	10. Italy	0.50	2.8
Total	10.51	86.6	Total	14.63	82.6

Source: Own calculations based on the data from [20].

Table 2. The top 10 countries in the world imports with goods, in 2017 compared to 2006

	2006		2017		
	US Trillion	Market share (%)	US Trillion	Market share (%)	
World	12.46	100.0	World	18.06	100.0
1. EU-28	4.87	39.0	1. EU-28	5.87	32.5
2. USA	1.91	15.3	2. USA	2.40	13.2
3. Germany	0.90	7.2	3. China	1.84	10.1
4. China	0.79	6.3	4. Germany	1.16	6.4
5. United Kingdom	0.61	4.8	5. Japan	0.67	3.7
6. Japan	0.57	4.5	6. United Kingdom	0.64	3.5
7. France	0.54	4.3	7. France	0.62	3.4
8. Italy	0.44	3.5	8. Hong Kong China	0.58	3.2
9. Netherlands	0.41	3.2	9. Rep. of Korea	0.47	2.6
10. Canada	0.35	2.8	10. Italy	0.45	2.4
Total	11.39	90.9	Total	14.7	81.0

Source: Own calculations based on the data from [20].

The figures from Table 1 and 2 showed how strong is the competition between the "main players" in the world trade, and also the decline of the export and import share in 2017 reflected that other countries have intensified

their transactions in the global market.

The trade of the EU-28, China, USA and Germany is comparatively presented in its dynamics in the period 2006-2017 in Table 3.

Table 3. Dynamics of commodity trade in the EU-28, China, the USA and Germany, 2006-2017 (USD Trillion)

	EU-28	China	USA	Germany
2006	4.73	0.88	1.47	1.00
2007	5.51	1.08	1.58	1.18
2008	6.15	1.27	1.72	1.31
2009	4.71	1.10	1.32	1.02
2010	5.30	1.48	1.62	1.15
2011	6.21	1.82	1.87	1.36
2012	5.87	3.86	1.94	1.27
2013	6.04	2.07	1.95	1.31
2014	6.15	2.15	2.01	1.35
2015	5.25	1.97	1.90	1.27
2016	5.36	1.85	1.85	1.19
2017	5.88	2.05	1.97	1.30
2017/2006 %	124.3	232.95	134.0	130.0

Source: Own calculations based on the data from [20].

The data from Table 3 reflect the differences between these four countries regarding the intensity of trade. The most dynamic trade was registered by China, + 132.9 %, followed by the USA + 34.09 %, Germany +30.5 and the EU-28 +24.3 %.

The EU-28 remained the leader of the world trade in all the analyzed years. Between 2006-2011, the USA came on the 2nd position. Since 2012, China passed on the 2nd position and the USA on the 3rd one. Germany maintained its 4th position. All these countries were affected by the economic crisis more or less in the years 2008 and mainly in 2009, but then they were able to recover their trade in the following years.

The trade with manufactured goods is carried out by the same group of countries mentioned above. In 2017, the decreasing order of these countries based on their exports was: the EU-28, China, Germany, the USA, Japan, Korea Rep. of, Hong Kong China, Netherlands, France and Italy, and for imports: the EU-28, the USA, China, Germany, Hong Kong China, France, United Kingdom, Japan, Netherlands, and Canada.

The exports of manufactured goods run by the top 10 countries in the world increased from USD 8.58 Trillion in 2006 to USD 12 Trillion in 2017 (+34.37%)(Table 4).

Between 2006 and 2017, some changes of position were observed among the top 10 countries exporting manufactured goods. Germany passed from the 2nd position to the 3rd position, while China moved on the 2nd position. The USA and Japan maintained their 4th and , respectively, 5th place. France lost its 6th position in 2006 and passed on the 9th place in 2017, while Italy also moved from the 7th position to the 10th. Hong Kong China intensified its exports and moved from the 9th position to the 7th position in 2017, and the Rep. of Korea has appeared on the 6th position among the top 10 exporters.

Regarding imports of manufactures commodities, the EU-28 and the USA remained on their 1st and respectively 2nd positions in 2017. Germany moved from the 3rd place to the 4th, while China passed on the 3rd position. The United Kingdom reduced its imports and moved from the 5th place in 2006 to the 7th in 2017. France and Japan kept their 6th and, respectively, 8th place. Hong Kong China intensified its imports passing from the 7th place in 2006 to the 5th place in 2017. Italy was not found among the top 10 importing countries in 2017, but Canada has appeared on the 10th position. The Netherlands went a position upward in 2017 (Table 4).

Table 4. The top 10 countries in the world trade with manufactured goods in 2017 versus 2006 (USD Trillion)

2006				2017			
Export		Import		Export		Import	
1.EU-28	3.68	1.EU-28	3.50	1.EU-28	4.66	1.EU-28	4.32
2.Germany	0.95	2.USA	1.35	2.China	2.12	2. USA	1.87
3.China	0.89	3.Germany	0.65	3.Germany	1.26	3.China	1.15
4.USA	0.81	4.China	0.57	4.USA	1.12	4.Germany	0.88
5.Japan	0.58	5.United Kingdom	0.40	5.Japan	0.60	5.Hong Kong China	0.51
6.France	0.39	6.France	0.39	6.Korea Rep.of	0.51	6.France	0.47
7.Italy	0.35	7.Hong Kong China	0.30	7.Hong Kong China	0.47	7. United Kingdom	0.45
8. United Kingdom	0.34	8.Japan	0.29	8.Netherlands	0.43	8.Japan	0.39
9.Hong Kong China	0.30	9.Italy	0.28	9.France	0.42	9.Netherlands	0.38
10.Netherlands	0.29	10.Netherlands	0.27	10.Italy	0.41	10.Canada	0.33
Total	8.58	Total	8.00	Total	12.00	Total	10.75

Source: Own calculations based on the data from [20].

The trade with agricultural products registered an important growth in the analyzed period. The main "players" for exports are: the EU-28, the USA, Netherlands. Germany, Brazil, China, France, Canada,

Spain, Indonesia, Belgium, Italy and United Kingdom, and for imports: the EU-28, China, the USA, Germany, Japan, Netherlands, United Kingdom, France, Italy, Spain, Belgium and Canada.

The export with agricultural products carried out by the top 10 countries in the world increased by 62.35 % from USD 0.85 Trillion in 2006 to USD 1.38 Trillion in 2017. The imports achieved by the top 10 countries grew by 58.6 % from USD 0.93 Trillion in 2006 to USD 1.47 Trillion in 2017 (Table 5).

In the analyzed period, the rank of some countries changed from 2006 to 2017. Regarding the exporting countries, the EU-28, the USA, Netherlands and Germany maintained their first four positions in 2017. France lost the 5th position and passed on the 7th, and Canada also moved from the 6th place to the 8th place in 2017. Brazil exported more agricultural products and moved from the 7th position in 2006 to the 5th place in 2017. Belgium was not found any more among the top 10 exporters in 2017, but Spain

moved from the 10th place to the 9th. China exported more and more and passed from the 9th place to the 6th position in 2017. Indonesia has appeared on the 10th position in 2017 among the top 10 exporters of agricultural products,

Regarding the importers of agricultural products, China passed from the 6th position in 2006 to the 2nd place in 2017, after the EU-28, and the USA, Germany and Japan passed one position downwards. The United Kingdom reduced its imports and passed from the 5th position to the 7th in 2017, and Italy did the same, moving from the 7th to the 9th position. Netherlands increased its imports passing from the 9th place to the 6th in 2017. France and Spain remained on the 8th, and, respectively, on the 10th place (Table 5).

Table 5. The top 10 countries in the world trade with agricultural products in 2017 versus 2006 (USD Trillion)

2006				2017			
Export		Import		Export		Import	
1.EU-28	0.41	1.EU-28	0.44	1.EU-28	0.64	1.EU-28	0.65
2.USA	0.09	2.USA	0.10	2.USA	0.17	2. China	0.18
3.Netherlands	0.07	3.Germany	0.07	3. Netherlands	0.11	3. USA	0.16
4.Germany	0.06	4. Japan	0.06	4. Germany	0.09	4.Germany	0.11
5. France	0.05	5.United Kingdom	0.05	5.Brazil	0.08	5. Japan	0.07
6. Canada	0.04	6. China	0.05	6. China	0.07	6. Netherlands	0.07
7.Brazil	0.04	7. Italy	0.05	7. France	0.07	7. United Kingdom	0.07
8. Belgium	0.03	8. France	0.04	8. Canada	0.06	8. France	0.07
9. China	0.03	9. Netherlands	0.04	9.Spain	0.05	9. Italy	0.05
10. Spain	0.03	10. Spain	0.05	10.Indonesia	0.04	10. Spain	0.04
Total	0.85	Total	0.93	Total	1.38	Total	1.47

Source: Own calculations based on the data from [20].

Food trade also has developed in the analyzed interval. The top 10 exporting countries are: the EU-28, the USA, Netherlands, Germany, Brazil, France, China, Spain, Canada and Italy, and the top 10 importing countries are: the EU-28, the USA, China, Germany, Japan, Netherlands, United Kingdom, France, Italy and Spain.

The food exports increased by 71.42 % from USD 0.7 Trillion in 2006 to USD 1.2 Trillion in 2017, while food imports raised by 63.15 % from USD 0.76 Trillion in 2006 to USD 1.24 Trillion in 2017 (Table 6).

In the analyzed period, various changes of positions of the top 10 exporters and importers was observed.

Concerning the exporting countries, Brazil passed from the 6th position in 2006 to the 5th

place in 2017, while China moved from the 9th place to the 7th. Germany passed from the 5th to the 4th position in 2017.

Belgium lost its 7th place in 2006 and was not found among the top 10 exporters in 2017. Spain and Italy remained on the same position, the 8th and respectively, the 10th. Canada appeared in 2017 on the 9th place.

Regarding the importing countries, China was not among the top 10 importers in 2006, but in 2017 it came on the 3rd place, while Germany and Japan went one position downwards.

The United Kingdom, France and Italy reduced their imports and passed one rank downwards in the analyzed period (Table 6).

Table 6. The top 10 countries in the world food trade in 2017 versus 2006 (USD Trillion)

2006				2017			
Export		Import		Export		Import	
1.EU-28	0.34	1.EU-28	0.36	1.EU-28	0.56	1.EU-28	0.56
2.USA	0.07	2.USA	0.08	2.USA	0.14	2. USA	0.14
3.Netherlands	0.06	3.Germany	0.06	3. Netherlands	0.09	3. China	0.11
4. France	0.05	4. Japan	0.05	4. Germany	0.08	4.Germany	0.09
5. Gernmay	0.05	5.United Kingdom	0.05	5.Brazil	0.07	5. Japan	0.07
6. Brazil	0.03	6. France	0.04	6. France	0.06	6. Netherlands	0.06
7. Belgium	0.03	7. Italy	0.03	7. China	0.06	7. United Kingdom	0.06
8. Spain	0.03	8. Netherlands	0.03	8. Spain	0.05	8. France	0.06
9. China	0.02	9. Spain	0.03	9.Canada	0.05	9. Italy	0.05
10. Italy	0.02	10. Belgium	0.02	10.Italy	0.04	10. Spain	0.04
Total	0.7	Total	0.76	Total	1.2	Total	1.24

Source: Own calculations based on the data from [20].

The trade with other goods. The top 10 exporters in the world dealing with other goods and their exports in USD Trillion in 2016 were the following ones:

-For fuels: the EU-28 (0.37), Russian Federation (0.15), the USA (0.13), Saudi Arabia Kingdom (0.12), Australia (0.10), Canada (0.08), Norway (0.05), United Arab Emirates (0.05), China (0.05) and Qatar (0.04);

-For iron and steel: the EU-28 (0.12), China (0.05), Japan (0.02), Rep. of Korea (0.02), Russian Federation (0.01), the USA (0.01), Chinese Taipei (0.008), India (0.008), Brazil (0.008) and Ukraine (0.008);

- For chemicals: the EU-28 (0.89), the USA (0.19), China (0.12), Switzerland (0.09), Japan (0.06), Korea Rep. of (0.05), Singapore (0.04), India (0.03), Canada (0.03) and Chinese Taipei (0.03);

- For office and telecom equipments: China (0.54), the EU-28 (0.32), Hong Kong China (0.25), the USA (0.14), Singapore (0.11), Korea Rep. of (0.11), Chinese Taipei (0.110), Mexico (0.06), Japan (0.06) and Malaysia (0.05);

-For automobiles: the EU-28 (0.68), Japan (0.15), the USA (0.13), Mexico (0.09), Canada (0.06), Korea Rep. of (0.06), China (0.05), Thailand (0.02), Turkey (0.02) and India (0.01).

-For textiles: China (0.11), the EU-28 (0.06), India (0.02), the USA (0.01), Turkey (0.01), Korea Rep. of (0.01), Pakistan (0.009), Chinese Taipei (0.009), Hong Kong China (0.008) and Vietnam (0.007);

-For clothing: China (0.16), the EU-28 (0.12), Bangladesh (0.03), Vietnam (0.02), India (0.02), Hong Kong China (0.01), Turkey (0.01), Indonesia (0.0070, Cambodia (0.006) and the USA (0.006).

Table 7. The hierarchy of the RTAs based on their exports and imports of goods in 2017 (USD Trillion)

	RTA's name	Acronym	Exports	Imports
1	Asia Pacific Economic Cooperation	APEC	8.80	8.95
2	European Union	EU	5.90	5.87
3	North American Free Trade Agreement	NAFTA	2.37	3.28
4.	Association of South Eastern Nations	ASEAN	1.31	1.25
5.	Gulf Cooperation Council	GCC	0.70	0.51
6.	South Asia Preferential Trading Agreement	SAPTA	0.37	0.60
7	Africa, Caribbean and Pacific Countries	ACP	0.34	0.41
8	MERCOSUR	MERCOSUR	0.32	0.26
9	Least Developed Countries	LDS	0.17	0.25
10	South African Developed Community	SADC	0.17	0.18
11	ANDEAN Community	ANDEAN	0.11	0.11
12	Common Market for Eastern and Southern Africa	COMESA	0.08	0.16
13.	Economic Community of West Africa States	ECOWAS	0.09	0.10
14.	Central American Common Market	CACM	0.04	0.06
15	Central European Free Trade Agreement	CEFTA	0.03	0.05
16	Economic Community of Central African States	ECCAS	0.06	0.04
17	West African Economic and Monetary Union	WAEMU	0.02	0.03
18	Central African Economic and Monetary Community	CAEMC	0.02	0.02
19	Caribbean Community	CARICOM	0.02	0.03

Source: Own concept based on the data from [20]

The Regional Trade Agreements (RTA) and their contribution to the global merchandise trade.

The RTAs concluded across the time between various countries have proved their efficiency contributing to the development of the international trade with goods destined to cover better and better the needs of each country.

On the top positions there are situated the following RTAs: WTO, APEC, EU, NAFTA, ASEAN, GCC, SAPTA, MERCOSUR, which intensified their trade during the last decade (Table 7).

WTO- the most important trade organization in the world. With 164 members, WTO is the most powerful organization dealing with merchandise trade. In 2016, the trade of WTO members achieved

USD 15.35 Trillion being by 34.59 % higher than in 2006.

The share of the WTO members in the global trade with commodities was 94.9 % in 2006 and reached 98.3 % in 2016 [17].

The contribution of various regions to the WTO trade in 2016 was the following one: Europe 37.8 %, Asia 32.1 %, North America 16.9 %, Middle East 3.9 %, South and Central Americas and Caribbean 3.3 %, Africa 2.3 % and Commonwealth of the Independent States-CIS 2 %.

In all the regions, the merchandise trade increased in 2016 compared to 2006, but the growth rate was different from a region to another. The CIS increased its trade 45 times, Asia registered +60.2 %, Middle East +46.92 %, Africa +37.6 %, South Central America and Caribbean +28.30 %, North America + 25.67 % and Europe +15.80 % (Table 8).

Table 8. The commodity trade of the WTO member states by region in 2016 versus 2006 (USD Trillion)*

	Commodity trade (USD Trillion)		2016/2006 %	Market share in the world trade with goods (%)	
	2006	2016		2006	2016
Africa	0.26	0.35	137.6	2.1	2.3
Asia	3.12	5.01	160.2	26.0	32.1
CIS	0.007	0.32	4,511.2	0.1	2.0
Europe	5.09	5.90	115.8	42.4	37.8
Middle East	0.41	0.60	146.9	3.4	3.9
North America	2.10	2.64	125.6	17.5	16.9
South and Central America and the Caribbean	0.40	0.52	128.3	3.4	3.3
Total WTO	11.4	15.3	134.5	94.9	98.3

Source: Own calculation based on the data from [17].

*Average data between export and import of commodities.

The EU-28 commodity trade

The EU-28 comes on the 1st position in the world merchandise trade, with a few exceptions depending on the group of commodities.

In 2017, its exports of goods were by 28.1 % higher than in 2006 and accounted for USD 5.9 Trillion, while the imports of goods was USD 5.8 Trillion, by 20.6 % higher than in the 1st year of the analyzed interval.

All the types of commodities groups commercialized by the EU registered an increased trade, regarding both export and import, except fuels, whose imports declined in 2017. The trade with manufactured goods increased by 26.5 % in case of exports and by 23.3 % in case of imports. The trade with

agricultural products increased by 56.3 % in case of exports and by 46.6 % in case of imports. The exports with food increased by 62.2 % and the imports by 54 %. The exports with fuels increased by 14.1 %, but the imports declined by 7.1 % in 2017 compared to 2006 (Table 9).

In 2017, the share of various commodity groups in the EU-28 export was the following one: 79 % manufactured goods, 10.9 % agricultural products, 9.5 % food, and 5.2 % fuels, and in case of import: 73.6 % manufactured commodities, 11 % agricultural products, 9.5 % food and 9.9 % fuels.

In 2017, the top EU countries exporting commodities, in the descending order of their market share, were: Germany (24.5%),

Netherlands (11 %), France (9%), Italy (7.2 %), Spain (5.4%), Poland (3.9%), Czech (8.5%), United Kingdom (7.4%), Belgium Republic (3%) and Austria (2.8%).

Table 9. The EU-28 commodity trade by main product groups in 2017 versus 2008 (USD Trillion)

	Exports		2017/2006 %	Imports		2017/2006 %
	2006	2017		2006	2017	
EU-28 Commodity Trade	4.60	5.90	128.1	4.87	5.87	120.6
-Manufactured goods	3.68	4.66	126.5	3.50	4.32	123.3
-Agricultural products	0.41	0.64	156.3	0.44	0.65	146.6
-Food	0.34	0.55	162.2	0.36	0.56	154.0
-Fuels	0.27	0.30	114.1	0.62	0.58	92.9

Source: Own concept based on the data from [20].

The EU top 10 exporting and importing countries of goods

The top EU importing countries of goods in the decreasing order were: Germany (19.8 %), United Kingdom (10.9%), France (10.6%), Netherlands (9.7%), Italy (7.7 %), Belgium (6.9 %), Spain (5.9%), Poland (3.9%), Austria (2.9%) and Czech Republic (2.7%).

In 2017, all these 10 countries exported goods whose value was USD 4.9 Trillion, representing 83.2 % of the EU-28 exports of commodities in the global market. The value of the commodity imports made by the top 10 countries accounted for USD 4.8 Trillion, representing 82.3 % of the EU-28 imports (Table 10).

Table 10. The top 10 countries in the EU-28 merchandise trade in 2017 versus 2006 (USD Trillion)

2006				2017			
Export		Import		Export		Import	
EU-28	4.60	EU-28	4.87	EU-28	5.90	EU-28	5.87
1. Germany	1.10	1. Germany	0.90	1. Germany	1.44	1. Germany	1.16
2. France	0.49	2. United Kingdom	0.61	2. Netherlands	0.65	2. United Kingdom	0.64
3. Netherlands	0.46	3. France	0.54	3. France	0.53	3. France	0.62
4. United Kingdom	0.45	4. Italy	0.44	4. Italy	0.50	4. Netherlands	0.57
5. Italy	0.41	5. Netherlands	0.41	5. United Kingdom	0.44	5. Italy	0.45
6. Belgium	0.36	6. Belgium	0.35	6. Belgium	0.43	6. Belgium	0.40
7. Spain	0.21	7. Spain	0.32	7. Spain	0.32	7. Spain	0.35
8. Sweden	0.14	8. Austria	0.13	8. Poland	0.23	8. Poland	0.23
9. Austria	0.13	9. Sweden	0.12	9. Czech Rep.	0.18	9. Austria	0.17
10. Poland	0.11	10. Poland	0.12	10. Austria	0.16	10. Czech Rep.	0.16
Total	3.9	Total	3.9	Total	4.9	Total	4.8
Market share (%)	84.9	Market share (%)	81.9	Market share (%)	83.2	Market share (%)	82.3

Source: Own calculations based on the data from [20].

The EU top exporting and importing countries of manufactured commodities

In 2017, the top exporters of manufactured goods in the EU-28 and their market shares were the following ones: Germany (27.1%), Netherlands (9.3%), France (9.1%), Italy (9%), United Kingdom (7%), Belgium (6.9%), Spain (4.8 %), Poland (3.9 %), Czech Republic (3.4%) and Austria (2.5%).

In the same year, the EU top importers of manufactured goods and their market share were: Germany (20.4%), France (11%), United Kingdom (10.6%), Netherlands

(8.9%), Italy (7.2%), Belgium (6.7%), Spain (5.6 %), Poland (4.1 %), Austria (3.1%) and Czech Republic (3.1%).

In 2017, all these 10 countries exported manufactured commodities whose value was USD 3.8 Trillion, representing 83.3 % of the EU-28 exports of manufactured commodities. The value of the manufactured goods imports achieved by the top 10 countries accounted for USD 3.5 Trillion, representing 81.2 % of the EU-28 imports of this category of merchandises (Table 11).

Table 11. The top 10 countries in the EU-28 manufactured commodity trade in 2017 versus 2006 (USD Trillion)

2006				2017			
Export		Import		Export		Import	
EU-28	3.60	EU-28	3.50	EU-28	4.66	EU-28	4.32
1. Germany	0.95	1. Germany	0.65	1. Germany	1.26	1. Germany	0.88
2. France	0.39	2. United Kingdom	0.40	2. Netherlands	0.43	2. France	0.47
3. Italy	0.35	3. France	0.39	3. France	0.42	3. United Kingdom	0.45
4. United Kingdom	0.34	4. Italy	0.28	4. Italy	0.41	4. Netherlands	0.38
5. Netherlands	0.29	5. Netherlands	0.27	5. United Kingdom	0.32	5. Italy	0.31
6. Belgium	0.28	6. Belgium	0.25	6. Belgium	0.32	6. Belgium	0.29
7. Spain	0.16	7. Spain	0.22	7. Spain	0.22	7. Spain	0.24
8. Sweden	0.12	8. Austria	0.10	8. Poland	0.18	8. Poland	0.17
9. Austria	0.11	9. Poland	0.009	9. Czech Rep.	0.16	9. Austria	0.13
10. Ireland	0.009	10. Sweden	0.009	10. Austria	0.11	10. Czech Rep.	0.13
Total	3.1	Total	2.7	Total	3.8	Total	3.5
Market share (%)	85.0	Market share (%)	79.6	Market share (%)	83.3	Market share (%)	81.2

Source: Own calculations based on the data from [20].

The EU top exporting and importing countries of agricultural products

The EU-28 is the top country in the world exporting agricultural products, its market share accounting for over 40 % and also the top world importing country with about 37 % market share. Its main beneficiaries China, Saudi Arabia, and the USA, and its main suppliers of agro-food products are: USA, Canada, Japan, New Zealand, and Australia [10].

In 2017, the EU top exporters of agricultural products and their market shares were the following ones: Netherlands (16.6%), Germany (14.6%), France (11.2%), Spain (8.8 %), Belgium (7.5%), Italy (7.4%), Poland (5.1 %), United Kingdom (4.9%), Denmark

(3.5%), and Austria (2.5%).

In the same year, the EU top importers of agricultural products and their market share were: Germany (17.8%), Netherlands (11.4%), United Kingdom (10.6%), France (10.4%), Italy (8.8%), Spain (6.8 %), Belgium (6.7%), Poland (3.6 %), Sweden (2.9) and Austria (2.6%).

In 2017, the value of exports of agricultural products made by all these EU top 10 countries was USD 0.53 Trillion, representing 82.6 % of the EU-28 exports of this type of products. The value of the imported agricultural products by the top 10 countries in the EU accounted for USD 0.53 Trillion, representing 82 % of the EU-28 imports (Table 12).

Table 12. The top 10 countries in the EU-28 trade with agricultural products in 2017 versus 2006 (USD Trillion)

2006				2017			
Export		Import		Export		Import	
EU-28	0.41	EU-28	0.44	EU-28	0.64	EU-28	0.65
1. Netherlands	0.07	1. Germany	0.07	1. Netherlands	1.07	1. Germany	0.11
2. Germany	0.06	2. United Kingdom	0.05	2. Germany	0.09	2. Netherlands	0.07
3. France	0.05	3. Italy	0.04	3. France	0.07	3. United Kingdom	0.06
4. Belgium	0.03	4. France	0.04	4. Spain	0.05	4. France	0.06
5. Spain	0.03	5. Netherlands	0.04	5. Belgium	0.04	5. Italy	0.05
6. Italy	0.02	6. Spain	0.03	6. Italy	0.04	6. Spain	0.04
7. United Kingdom	0.02	7. Belgium	0.03	7. Poland	0.03	7. Belgium	0.04
8. Denmark	0.01	8. Denmark	0.01	8. United Kingdom	0.03	8. Poland	0.02
9. Austria	0.01	9. Austria	0.01	9. Denmark	0.02	9. Sweden	0.01
10. Poland	0.01	10. Sweden	0.01	10. Austria	0.01	10. Austria	0.01
Total	0.35	Total	0.37	Total	0.53	Total	0.53
Market share (%)	84.9	Market share (%)	83.5	Market share (%)	82.6	Market share (%)	82.0

Source: Own calculations based on the data from [20].

The EU top exporting and importing countries of food

In 2017, the EU top food exporters and their market shares were: Netherlands (16.1%), Germany (14.5%), France (11.8%), Spain (9.5%), Italy (7.9%), Belgium (7.7%), Poland (5.3%), United Kingdom (5.2%), Denmark (3.5%), and Ireland (2.5%).

Also, in 2017, the EU top food importers and their market share were: Germany (17.2%), Netherlands (11.5%), United Kingdom

(10.8%), France (10.6%), Italy (8.4%), Spain (7%), Belgium (6.8%), Poland (3.6%), Sweden (2.9) and Austria (2.3%).

In 2017, the food export value carried out by all these EU top 10 countries was USD 0.47 Trillion, representing 84.6% of the EU-28 food exports. The value of the imported food by the top 10 EU countries accounted for USD 0.46 Trillion, representing 81.6% of the EU-28 imports (Table 13).

Table 13. The top 10 countries in the EU-28 trade with food products in 2017 versus 2006 (USD Trillion)

2006				2017			
Export		Import		Export		Import	
EU-28	0.34	EU-28	0.36	EU-28	0.55	EU-28	0.56
1. Netherlands	0.05	1. Germany	0.06	1. Netherlands	0.09	1. Germany	0.09
2. France	0.05	2. United Kingdom	0.04	2. Germany	0.08	2. Netherlands	0.06
3. Germany	0.05	3. France	0.04	3. France	0.06	3. United Kingdom	0.06
4. Belgium	0.03	4. Italy	0.03	4. Spain	0.05	4. France	0.06
5. Spain	0.03	5. Netherlands	0.03	5. Italy	0.04	5. Italy	0.05
6. Italy	0.02	6. Spain	0.02	6. Belgium	0.04	6. Spain	0.04
7. United Kingdom	0.02	7. Belgium	0.02	7. Poland	0.03	7. Belgium	0.04
8. Denmark	0.01	8. Denmark	0.01	8. United Kingdom	0.03	8. Poland	0.02
9. Ireland	0.01	9. Sweden	0.009	9. Denmark	0.02	9. Sweden	0.01
10. Poland	0.01	10. Austria	0.008	10. Ireland	0.01	10. Austria	0.01
Total	0.30	Total	0.30	Total	0.47	Total	0.46
Market share (%)	87.7	Market share (%)	83.6	Market share (%)	84.6	Market share (%)	81.6

Source: Own calculations based on the data from [20].

Developing economies and their role in the world trade

In the world commodity trade, an important role is played by the developing economies. The volume of their trade has slowly increased, however their progress is remarkable mainly in the field of raw materials, agro-food products and textiles.

The agro-food sector offers new opportunities for the developing countries to increase production and exchange agro-food products joining the global value chains.

The small farms and enterprise where business is running in the developing countries could join along the product chain.

To develop production and processing and create more value added in the products, the developing countries need to assure the inputs in terms of seeds, fertilizers, pesticides, insecticides, machinery and specific tools. Also, the role of services in agro-food chain (research, innovation, education, consultancy,

transport, wholesale, retail etc) is more and more important in sustaining the developing countries to produce more and of higher quality and intensify their exports in the international market.

CONCLUSIONS

World trade with goods followed a positive trend in close connection with the global economic growth. However the ratio between trade growth and GDP growth became 0.6 at present compared to 2.1 in 2006.

World trade was facing various changes determined by the economic crisis which started in 2008, the US Dollar appreciation, which reduced the prices of goods, the low demand for commodities, the low prices of fuels, the depreciation of the yuan, the increase of inflation, the low investment spending etc, which caused a decline of trade in the year 2025 and 2016.

In 2017, at the global level the value of the exported goods accounted for USD 17.7 Trillion, being by 46.2 % higher than in 2006, while the value of the imported commodities was USD 18 Trillion, by 45.1 % more than in the first analyzed year.

The top countries trading goods in the world are the EU-28, China, the USA and Germany. The hierarchy of the top 10 countries both regarding exports and imports has suffered changes of positions in close relationship with the economic growth of each country but also due to the external factors influencing the global GDP and trade.

Besides China, USA, EU and Germany are countries such as: Japan, United Kingdom, France, Republic of Korea, Italy, Netherlands Hong Kong China and Canada sustain the exports and imports of goods worldwide. Also, they play the main role in the trade with manufactured commodities.

Agricultural and food products are mainly commercialized by: EU, USA, Netherlands, Germany, France, Brazil, China, Belgium, Spain, Italy, United Kingdom and Canada. An intensified trade with agro-food products was noticed during the last decade, so that the share of agro-food trade in the commodity trade exceeds 10 %.

The contribution of the geographical regions to the global export is given in the decreasing order of the market share by: Europe, Asia, North America, Middle East, South and Central America, CIS and Africa. Europe is the leader in world commodity trade, but its low growth rate is expected to pass Europe on the 2nd position after Asia.

The RTA contributed to the development of global trade grace to the facilities involved. The RTA with the highest contribution to the development of the global trade are: WTO, but also, APEC, EU, NAFTA, ASEAN, GCC and SAPTA.

The trade of WTO members exceeded USD 16 trillion in 2017, assuring the highest share over 98 % in the global trade.

The EU-28 has been the leader of the world trade for a long period of time. The EU top exporters and importers of goods are: Germany, United Kingdom, France, Netherlands, Italy, Belgium, Spain, Poland,

Austria, Sweden and Czech Republic. They are also the main players in the trade with manufactured goods. The top EU countries trading agricultural and food products are: Germany, Netherlands, United Kingdom, France, Spain, Italy, Belgium, Poland, Denmark, Austria, Sweden. and Ireland.

The exchange of goods among countries at the global level has been intensified during the last decade to cover better the market needs. An increased trade is running between the developing countries from the South part of the globe (South-South trade) and also between the developed and the developing countries (North - South trade). Therefore, it is recognized the higher and higher contribution of the developing economies to the global trade.

In order to develop a sustainable international trade, new trade policies are required. As long as the production chains have become increasingly complex at the global level, new strategies should be set up to assure the economic growth and enhance trade.

Trade with goods is closely supported by services trade, a reason to stimulate the development of services as well.

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