

**News Release**

**Slower growth in G7 merchandise trade continues in second quarter 2007**

**A. Merchandise Trade Volume Data** (customs-based data)

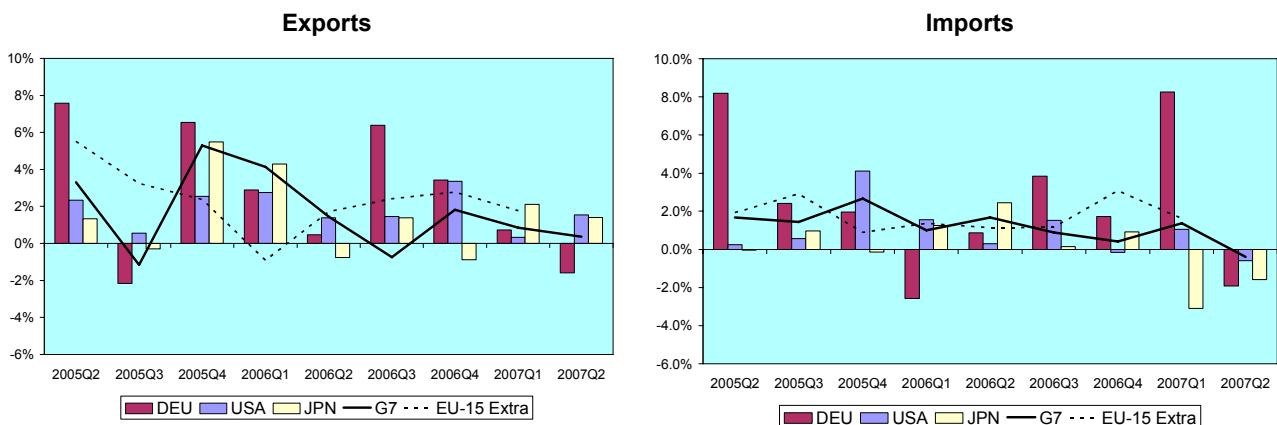
Growth in merchandise trade exports in the **Group of Seven**<sup>1</sup> countries slowed to a seasonally-adjusted 0.4%, in the second quarter of 2007 compared with the previous quarter while import volumes fell 0.4%. On a year-on-year basis, G7 trade volumes continued to grow at lower rates, with both exports and imports up 2.3%.

**Germany's** merchandise trade exports fell 1.6% compared with the first quarter. Imports were 1.9% lower. On a year-on-year basis, exports rose 9.1% while imports grew 12.2%.

In the **United States**, quarter-on-quarter trade exports grew 1.5%, while imports fell 0.6%. On a year-on-year basis exports were up 6.8% in the second quarter of 2007 and import volumes rose by 1.8%.

**Japanese** merchandise exports grew 1.4% compared with the previous quarter while imports continued to fall, slipping 1.6%. Year-on-year, export volumes were up 4.1% while imports fell 3.6%.

**Quarterly Volume Growth in Merchandise Trade<sup>2</sup>**  
*Percentage change on the previous quarter (seasonally adjusted)*

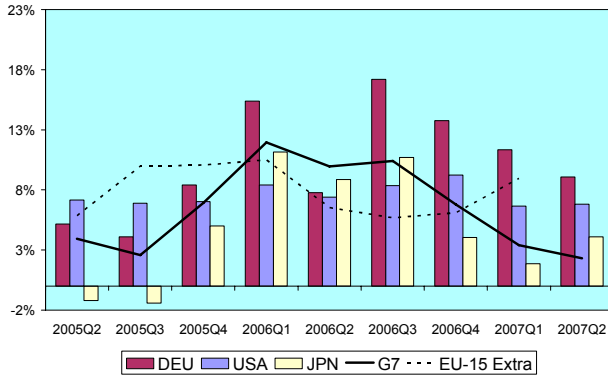


<sup>1</sup> Data for the second quarter of 2007 for Canada are OECD estimates

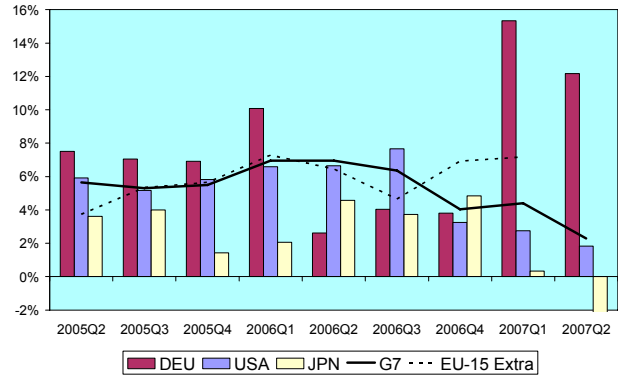
<sup>2</sup> No data could be obtained from Eurostat for the second quarter of 2007 for the EU15.

**Annual Volume Growth in Merchandise Trade**  
*Percentage change on the same quarter of the previous year*

**Exports**



**Imports**



**B. Trade in Goods and Services by Value (balance of payments data)**

Exports of goods and services in **OECD countries**, measured in **current** US dollars, rose by a seasonally-adjusted 3.9% quarter-on-quarter in the first quarter of 2007. Imports rose 3.5% in the same period.

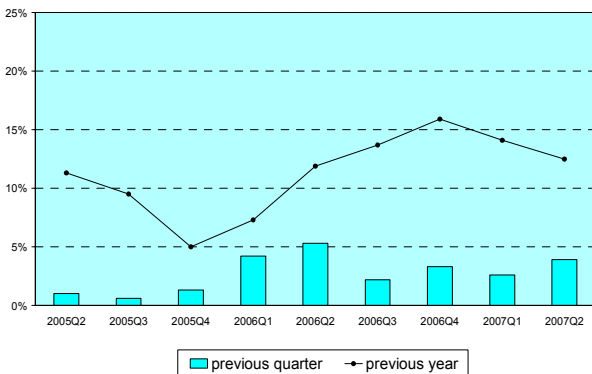
In value terms, for both trade in goods and trade in services, export growth exceeded the growth in corresponding imports in the first quarter.

Export value growth for goods and services in **OECD** countries slowed to 12.5% year-on-year, while import growth eased to 10.1%.

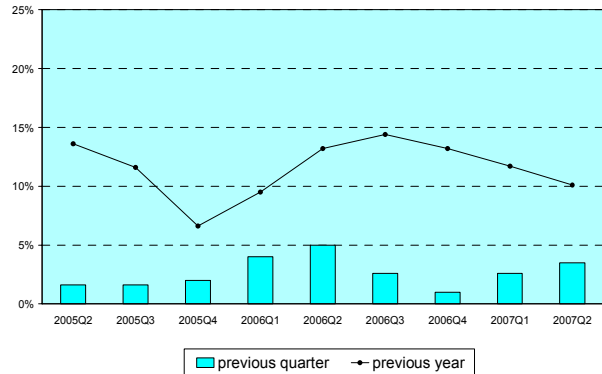
**Value Growth in OECD Trade in Goods and Services**

*Percentage change on the previous quarter and on the same quarter of the previous year*

**Exports**



**Imports**



**A. Merchandise Trade Volumes** (customs-based data)

**Merchandise Trade: Quarterly Export Volume Growth**  
*Percentage change on the previous quarter (seasonally adjusted)*

	2005			2006				2007	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>Major Seven</b>	3.3	-1.2	5.3	4.1	1.5	-0.7	1.8	0.9	0.4
<b>Canada</b>	-0.5	-2.0	7.3	-1.8	-0.4	0.9	1.3	1.6	5.4*
<b>France</b>	2.3	-2.1	5.9	5.5	1.4	0.0	0.6	1.4	-0.9
<b>Germany</b>	7.6	-2.2	6.5	2.9	0.5	6.4	3.4	0.7	-1.6
<b>Italy</b>	3.2	-0.1	-2.7	2.2	4.4	-2.7	3.3	0.4	-0.5
<b>Japan</b>	1.3	-0.3	5.5	4.3	-0.8	1.4	-0.9	2.1	1.4
<b>United Kingdom</b>	4.7	-3.9	13.6	15.5	6.8	-23.4	-0.9	-0.6	-2.4
<b>United States</b>	2.3	0.5	2.5	2.7	1.4	1.4	3.4	0.3	1.5
<b>EU-15 Extra EU</b>	5.5	3.2	2.4	-0.9	1.7	2.4	2.8	1.8	n.a.

\* = estimated

**Merchandise Trade: Quarterly Import Volume Growth**  
*Percentage change on the previous quarter (seasonally adjusted)*

	2005			2006				2007	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>Major Seven</b>	1.7	1.4	2.7	1.0	1.7	0.9	0.4	1.4	-0.4
<b>Canada</b>	-1.2	3.8	2.8	-0.1	3.1	1.4	0.2	0.9	3.8*
<b>France</b>	1.3	0.4	5.4	1.0	4.2	-0.4	0.2	1.1	1.3
<b>Germany</b>	8.2	2.4	2.0	-2.6	0.9	3.8	1.7	8.3	-1.9
<b>Italy</b>	1.2	1.5	-1.9	2.2	-0.1	3.0	0.3	-1.1	-1.4
<b>Japan</b>	0.0	1.0	-0.1	1.3	2.4	0.1	0.9	-3.1	-1.6
<b>United Kingdom</b>	2.1	3.2	1.4	4.3	4.5	-4.8	0.4	-1.3	0.0
<b>United States</b>	0.2	0.6	4.1	1.5	0.3	1.5	-0.1	1.0	-0.6
<b>EU-15 Extra EU</b>	1.9	2.9	0.9	1.4	1.1	1.2	3.1	1.6	n.a.

\* = estimated

**Merchandise Trade: Annual Export Volume Growth**  
*Percentage change on the same quarter of the previous year*

	2005			2006				2007	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>Major Seven</b>	3.9	2.6	6.9	12.0	10.0	10.4	6.8	3.4	2.3
<b>Canada</b>	-0.4	-1.5	7.3	2.8	2.9	5.9	0.0	3.4	9.5*
<b>France</b>	5.3	1.9	6.7	11.9	10.9	13.2	7.6	3.4	1.0
<b>Germany</b>	5.2	4.1	8.4	15.4	7.8	17.2	13.8	11.4	9.1
<b>Italy</b>	-0.8	-1.8	-2.8	2.6	3.8	1.0	7.3	5.3	0.4
<b>Japan</b>	-1.2	-1.4	5.0	11.2	8.9	10.7	4.0	1.9	4.1
<b>United Kingdom</b>	8.5	2.8	14.1	31.9	34.7	7.3	-6.4	-19.4	-26.4
<b>United States</b>	7.1	6.9	7.0	8.4	7.4	8.4	9.2	6.6	6.8
<b>EU-15 Extra EU</b>	5.9	10.0	10.1	10.5	6.5	5.7	6.1	9.0	n.a.

\* = estimated

**Merchandise Trade: Annual Import Volume Growth**  
*Percentage change on the same quarter of the previous year*

	2005			2006				2007	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>Major Seven</b>	5.6	5.3	5.5	6.9	6.9	6.4	4.0	4.4	2.3
<b>Canada</b>	7.6	8.2	9.3	5.2	9.8	7.3	4.7	5.8	6.5*
<b>France</b>	7.9	5.2	10.1	8.2	11.2	10.4	5.0	5.1	2.2
<b>Germany</b>	7.5	7.0	6.9	10.1	2.6	4.0	3.8	15.3	12.2
<b>Italy</b>	-0.7	0.5	-2.4	3.1	1.7	3.2	5.5	2.1	0.8
<b>Japan</b>	3.6	4.0	1.4	2.1	4.6	3.7	4.8	0.3	-3.6
<b>United Kingdom</b>	4.5	5.5	4.3	11.4	14.0	5.2	4.1	-1.4	-5.7
<b>United States</b>	5.9	5.2	5.8	6.6	6.6	7.7	3.3	2.7	1.8
<b>EU-15 Extra EU</b>	3.7	5.3	5.7	7.3	6.5	4.7	6.9	7.2	n.a.

\* = estimated

**B. Trade in goods and services values** (balance of payments data)

**OECD Quarterly Value Growth (based on current prices USD)**  
*Percentage change on the previous quarter (seasonally adjusted)*

		2005			2006				2007	
		Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>EXPORTS</b>	<b>Goods &amp; Services</b>	1.0	0.6	1.3	4.2	5.3	2.2	3.3	2.6	3.9
	<b>Goods</b>	1.5	0.7	1.6	4.6	5.5	2.4	3.1	2.2	3.7
	<b>Services</b>	-0.7	0.3	0.6	2.9	4.7	1.5	4.1	4.0	4.6
<b>IMPORTS</b>	<b>Goods &amp; Services</b>	1.6	1.6	2.0	4.0	5.0	2.6	1.0	2.6	3.5
	<b>Goods</b>	2.3	1.9	2.4	4.4	5.1	2.9	0.5	2.3	3.6
	<b>Services</b>	-1.1	0.4	0.3	2.4	4.8	1.5	3.0	4.0	3.4

**OECD Annual Value Growth (based on current prices USD)**  
*Percentage change on the same quarter of the previous year*

		2005			2006				2007	
		Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>EXPORTS</b>	<b>Goods &amp; Services</b>	11.3	9.5	5.0	7.3	11.9	13.7	15.9	14.1	12.5
	<b>Goods</b>	11.3	9.6	5.2	8.5	12.8	14.7	16.5	13.8	11.9
	<b>Services</b>	11.4	9.1	4.0	3.1	8.7	10.0	13.8	15.0	15.0
<b>IMPORTS</b>	<b>Goods &amp; Services</b>	13.6	11.6	6.6	9.5	13.2	14.4	13.2	11.7	10.1
	<b>Goods</b>	14.3	12.4	8.0	11.4	14.5	15.6	13.4	11.2	9.6
	<b>Services</b>	10.5	8.2	1.3	2.0	8.0	9.2	12.2	14.0	12.4



## Methodological Notes

### A. Merchandise Trade Volumes (customs-based data)

All merchandise data contained in this press release are based on the OECD's Monthly Statistics of International Trade (MSIT) database. Merchandise trade covers trade in goods, excluding services.

Trade data for area aggregates OECD and Major Seven include intra-area flows. However, trade data for the area aggregate EU-15 Extra EU is provided by Eurostat and exclude intra-area flows. Eurostat community statistics cover the European Union as a whole and include methodological differences that make precise comparison with OECD statistics impossible. Exceptionally, no EU-15 Extra EU aggregate for the fourth quarter 2006 could be obtained from Eurostat in time for this Press release.

Seasonally adjusted data are calculated by the Secretariat using the X-12-Arima method. Aggregated annual and quarterly growth rates in volume terms are derived from series in constant 2000 US dollars.

The OECD's Monthly Statistics of International Trade (MSIT) cover aggregate indicators, trade unit value and volume indices and trade broken down by the Standard International Trade Classification (SITC) sections and by partner country. In addition to monthly and quarterly trade, OECD manages a comprehensive annual trade database by commodity and by partner country, called ITCS (International Trade by Commodity Statistics).

### B. Trade in goods and services values (balance of payments data)

In principle balance of payments trade data covers transactions involving goods and services between residents and non-residents for a specific time period in the reporting economy. Merchandise trade data are based mainly on customs declarations concerning physical movements of goods across international frontiers for a specific time-period. The main differences between the two concepts of trade are summarized in the italic script below.

Balance of payments data are compiled from national data reported to OECD and which is published in the Main Economic Indicators database. Data for countries that have not reported, at the time of the release, have been estimated by the Secretariat.

Seasonal adjustment for trade in goods and services series in the balance of payments is provided by countries in the majority of cases, and is calculated by OECD Secretariat for the remainder.

In 2006 the total exports of goods and services of the 30 OECD member countries amounted to 9.6 trillion US Dollars, while imports were higher at 10.1 trillion USD. Goods accounted for 78% of OECD exports of goods and services and 81% of imports. G7 exports of goods and services in 2005 were 5.7 trillion USD and G7 imports of goods and services 6.4 trillion USD.

The **OECD-Total** covers the 30 OECD Member countries: Australia, Austria, Belgium, Canada, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Spain, Sweden, Switzerland, Turkey, United Kingdom, United States.

**Necessary adjustments of merchandise trade data for the balance of payments**

Whereas data collection on international merchandise trade is mainly based on customs declarations, the balance of payments statement for trade in goods systematically summarizes goods transactions for a specific time period, for the most part involving changes of ownership between residents and non-residents. It covers general merchandise (which includes moveable goods), the movement of goods for processing (when no change of ownership occurs), the value of repairs on goods (not the value of goods undergoing repair), and goods procured in ports by non-resident carriers.

Customs data need to be supplemented with additional information to help produce the data required for national accounts and balance of payments purposes. The additional information includes:

- Certain goods (for example goods for repair) are excluded from the detailed official trade statistics. These goods need to be recorded separately so that adjustments can be made.
- A separate collection of data on freight and insurance charges, as for merchandise trade statistics imports are recorded c.i.f. (cost, insurance and freight), whereas in balance of payments they are valued f.o.b (free on board).
- Timing differences - according to balance of payments methodology, the change of ownership is the principle determining coverage and timing, whereas in merchandise trade statistics the timing principle is based on the movement of the goods.

**Useful links:**

This Press Release, as well as previous releases, can be found on the OECD web page, see [OECD Internet Site](#)

More information about detailed OECD statistics on trade in goods, including detailed monthly trade statistics, trade in services, balance of payments statistics, trade indicators and trade expert meetings can be found at [International Trade and Balance of Payments Statistics](#)

For more information on measurement of international trade see OECD "Statistics Brief" No. 1 October 2001 available at [Statistics Portal Site](#)

**Contacts:**

For further information contact [STD.Tradestats@OECD.org](mailto:STD.Tradestats@OECD.org) for merchandise trade and [STD.Bopstat@OECD.org](mailto:STD.Bopstat@OECD.org) for balance of payments.

**Next release: January 2008**