

**News Release**

**G7 merchandise trade volume growth slows in second quarter 2008**

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

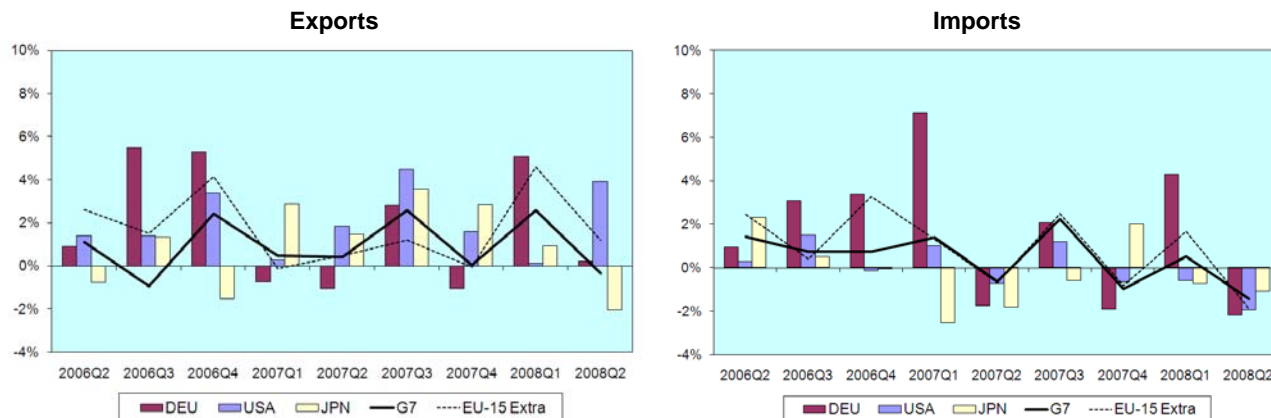
Merchandise import volumes of the **Group of Seven** countries fell by 1.4% in the second quarter of 2008 compared with the previous quarter, while the volume of exports declined by 0.3%. On a year-on-year basis, import volume growth, at only 0.3% for the second quarter 2008, continued the general decline evident since the second -quarter of 2006.. Exports grew by 4.9%.

**Germany's** quarter-on-quarter exports stagnated at 0.2%, while imports fell by 2.2%. On a year-on-year basis, exports rose 7.1% and imports 2.1%.

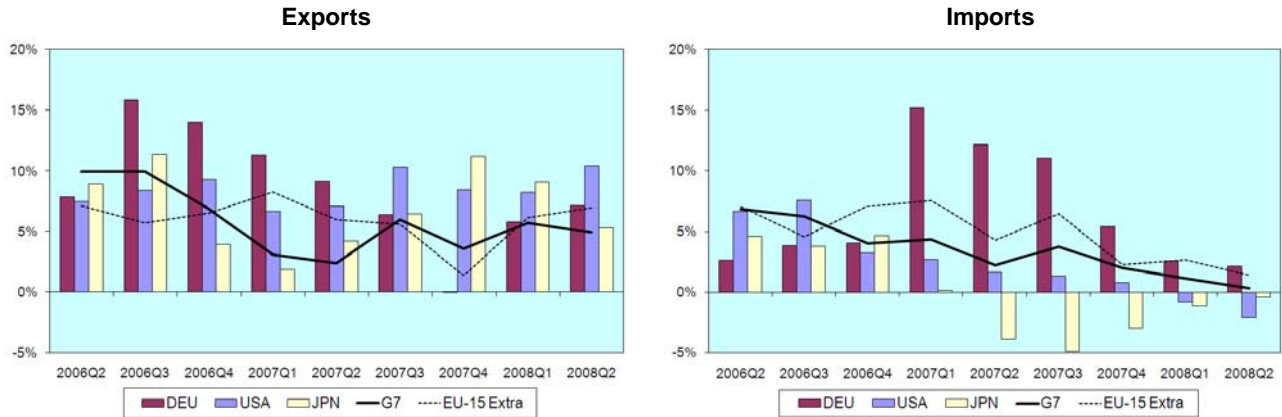
In the **United States**, the growth in export volumes, at 3.9% in the second quarter 2008, was the highest among the G7 countries, while import volumes fell by 1.9%. Compared with the same quarter the previous year, export growth in the US, at 10.4%, was also the highest of the G7, while imports volumes dropped by 2.0%.

**Japan's** exports fell by 2.0% in the second quarter of 2008 compared with the previous quarter while imports were down by 1.1%. Compared with the same quarter of 2007, merchandise exports grew by 5.3% while imports fell by 0.4%.

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



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



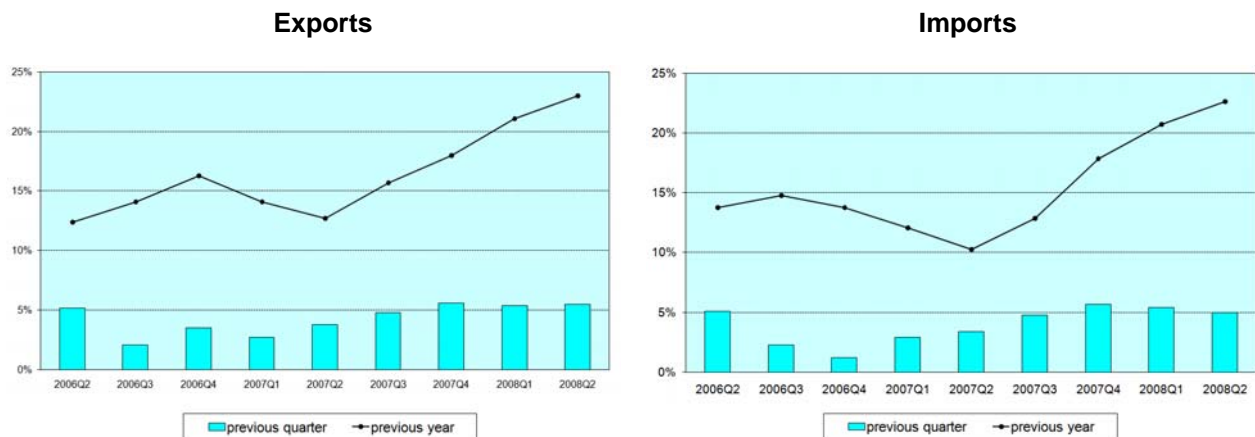
**B. Values of Trade in Goods and Services (balance of payments data)**

In the second quarter of 2008, the value of exports of goods and services in **OECD countries**, measured in **current** US dollars, increased by a seasonally-adjusted 5.5% compared with the previous quarter, slightly higher than the rise during the first quarter of 2008-. Import growth slowed to 5.0% in the same period.

For trade in goods, based on balance of payment data, the quarter-on-quarter growth for both exports and imports in the second quarter of 2008 exceeded the corresponding growth in trade in services.

Overall, the growth in export values for goods and services in **OECD countries** rose to 23% year on year, while import values rose to 22.6%.

**Value Growth in OECD Trade in Goods and Services**  
*Percentage change on the previous quarter and on the same quarter of the previous year*



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

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

	2006			2007				2008	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>Major Seven</b>	1.1	-0.9	2.4	0.5	0.4	2.6	0.1	2.6	-0.3
<b>Canada</b>	-2.8	-1.0	1.9	2.8	-0.4	-2.7	-0.6	-2.1	-2.9
<b>France</b>	1.3	0.0	1.5	0.4	-0.9	2.2	-2.0	8.7	-6.1
<b>Germany</b>	0.9	5.5	5.3	-0.7	-1.0	2.8	-1.1	5.1	0.2
<b>Italy</b>	1.8	-0.8	3.9	-1.0	2.2	1.4	-3.3	1.9	-0.2
<b>Japan</b>	-0.8	1.3	-1.5	2.9	1.5	3.6	2.8	0.9	-2.0
<b>United Kingdom</b>	6.2	-23.0	-0.2	-0.8	-0.9	0.6	-1.3	3.8	-2.2
<b>United States</b>	1.4	1.4	3.4	0.3	1.8	4.5	1.6	0.1	3.9
<b>EU-15 Extra EU</b>	2.6	1.5	4.1	-0.1	0.4	1.2	-0.1	4.6	1.2

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

	2006			2007				2008	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>Major Seven</b>	1.4	0.7	0.7	1.4	-0.7	2.3	-1.0	0.5	-1.4
<b>Canada</b>	2.1	1.5	-0.2	1.6	0.6	4.2	1.5	-1.5	-0.7
<b>France</b>	3.9	-0.7	0.8	1.1	0.9	3.0	-2.3	4.1	0.2
<b>Germany</b>	1.0	3.1	3.4	7.1	-1.7	2.1	-1.9	4.3	-2.2
<b>Italy</b>	-0.6	3.3	0.5	-0.9	0.2	5.0	-4.8	-2.4	-0.2
<b>Japan</b>	2.3	0.5	0.0	-2.5	-1.8	-0.6	2.0	-0.7	-1.1
<b>United Kingdom</b>	3.6	-5.5	1.5	-0.3	-0.4	5.5	-1.6	-0.7	-1.6
<b>United States</b>	0.3	1.5	-0.1	1.0	-0.7	1.2	-0.7	-0.6	-1.9
<b>EU-15 Extra EU</b>	2.4	0.4	3.3	1.3	-0.7	2.5	-0.8	1.7	-1.9

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

	2006			2007				2008	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>Major Seven</b>	10.0	10.0	6.8	3.1	2.4	6.0	3.6	5.7	4.9
<b>Canada</b>	3.2	2.1	-1.6	0.9	3.3	1.5	-1.0	-5.6	-8.0
<b>France</b>	10.8	12.8	7.8	3.2	1.0	3.2	-0.3	8.0	2.3
<b>Germany</b>	7.8	15.8	14.0	11.2	9.1	6.4	0.0	5.8	7.1
<b>Italy</b>	4.0	3.9	8.3	3.8	4.3	6.6	-0.8	2.2	-0.3
<b>Japan</b>	8.9	11.3	3.9	1.9	4.2	6.4	11.2	9.1	5.3
<b>United Kingdom</b>	34.3	6.8	-6.2	-19.1	-24.4	-1.2	-2.3	2.2	0.9
<b>United States</b>	7.4	8.4	9.3	6.6	7.1	10.3	8.4	8.2	10.4
<b>EU-15 Extra EU</b>	7.1	5.8	6.6	8.3	6.0	5.7	1.4	6.2	7.0

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

	2006			2007				2008	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>Major Seven</b>	6.8	6.3	4.1	4.4	2.2	3.8	2.0	1.1	0.3
<b>Canada</b>	8.5	6.7	3.8	5.0	3.5	6.3	8.1	4.8	3.5
<b>France</b>	11.2	10.3	5.1	5.2	2.2	6.0	2.8	5.8	5.0
<b>Germany</b>	2.6	3.9	4.1	15.2	12.2	11.1	5.4	2.6	2.1
<b>Italy</b>	1.9	3.8	6.3	2.3	3.1	4.8	-0.8	-2.3	-2.7
<b>Japan</b>	4.6	3.8	4.7	0.1	-3.9	-4.9	-3.0	-1.1	-0.4
<b>United Kingdom</b>	14.0	5.0	4.2	-0.9	-4.7	6.3	3.1	2.7	1.4
<b>United States</b>	6.7	7.6	3.2	2.7	1.7	1.3	0.8	-0.8	-2.0
<b>EU-15 Extra EU</b>	7.0	4.6	7.1	7.6	4.3	6.5	2.3	2.7	1.4

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

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

		2006			2007				2008	
		Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>EXPORTS</b>	<b>Goods &amp; Services</b>	5.2	2.1	3.5	2.7	3.8	4.8	5.6	5.4	5.5
	<b>Goods</b>	5.2	2.1	3.2	2.4	3.6	4.8	5.4	6.2	5.9
	<b>Services</b>	5.0	1.8	4.4	3.9	4.7	5.0	6.0	2.5	4.2
<b>IMPORTS</b>	<b>Goods &amp; Services</b>	5.1	2.3	1.2	2.9	3.4	4.8	5.7	5.4	5.0
	<b>Goods</b>	5.2	2.5	0.7	2.7	3.3	4.9	5.5	6.3	5.2
	<b>Services</b>	4.7	1.6	3.8	3.7	3.9	4.1	6.5	1.6	4.4

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

		2006			2007				2008	
		Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>EXPORTS</b>	<b>Goods &amp; Services</b>	12.4	14.1	16.3	14.1	12.7	15.7	18.0	21.1	23.0
	<b>Goods</b>	12.9	14.8	16.6	13.6	11.8	14.7	17.1	21.5	24.2
	<b>Services</b>	10.6	11.8	15.2	16.1	15.7	19.4	21.2	19.5	18.9
<b>IMPORTS</b>	<b>Goods &amp; Services</b>	13.7	14.7	13.7	13.0	10.2	12.8	17.8	20.7	22.6
	<b>Goods</b>	15.0	16.1	13.7	11.4	9.4	12.0	17.5	21.6	23.9
	<b>Services</b>	8.2	9.1	13.4	14.4	13.6	16.4	19.4	17.1	17.6



## 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 EU-15 area exclude intra-area flows, based on information provided by Eurostat. Eurostat community statistics cover the European Union as a whole and include methodological differences that make precise comparison with OECD statistics impossible.

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 custom- and balance-of-payment data on trade are summarized in the italic script below.

Balance of payments data are compiled from national data reported to the OECD and included in the Main Economic Indicators database. Data for countries that have not reported data 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 2007 the total exports of goods and services of the 30 OECD member countries amounted to 11.0 trillion US Dollars, while imports reached 11.5 trillion USD. Goods accounted for 77% of OECD exports of goods and services and for 81% of imports. For G7 countries, exports of goods and services in 2007 were 6.5 trillion USD and G7 imports of goods and services 7.0 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. These flows cover 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:**

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**Next release: January 2009**