

**News Release**

**G7 merchandise trade volume growth slows in first quarter 2006**

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

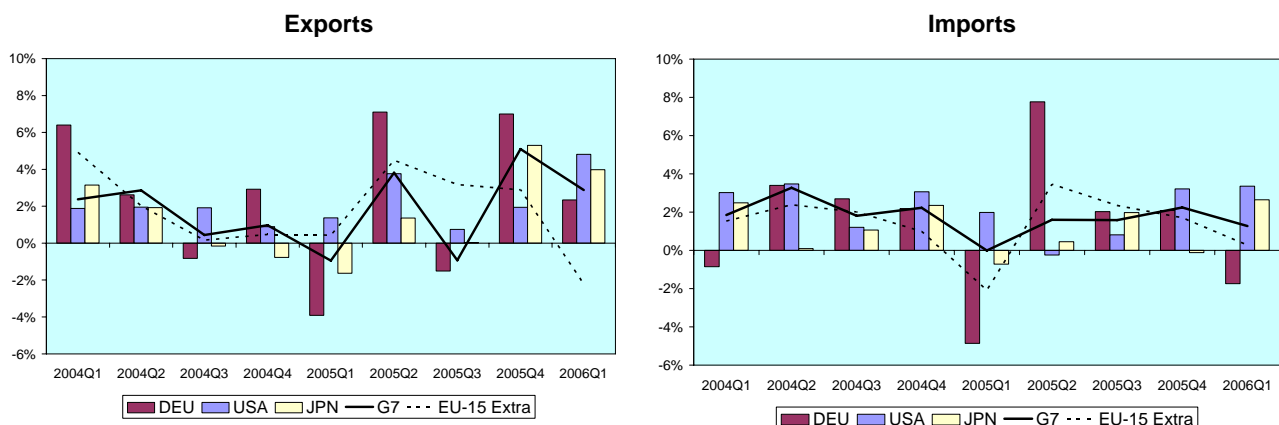
Merchandise trade volume growth in the **Group of Seven** countries slowed to a seasonally-adjusted 2.9% for exports and 1.3% for imports in the first quarter of 2006 compared with the fourth quarter of 2005. On a year-to-year basis, G7 trade volumes continued to grow, with exports 11.2% higher and imports up 6.9%.

**Germany's** merchandise exports rose by a modest 2.3% compared with the previous quarter while imports fell 1.7%. But on a year-to-year basis, trade volume growth continued to be strong and was well above the G7 average with 15.5% for exports and 10.3% for imports.

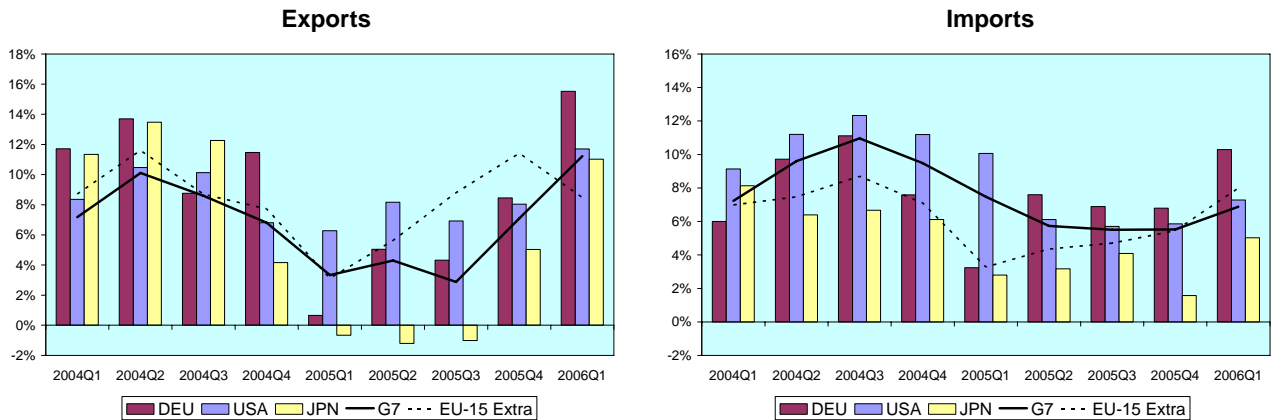
In the **United States**, quarter-to-quarter trade growth was above the G7 average. Exports rose 4.8% while imports climbed 3.4%. Year-on-year, the upward trend continued in the first quarter of 2006 with 11.7% growth for exports and 7.3% for imports.

**Japanese** merchandise trade volume growth was 4.0% for exports and 2.6% for imports. Year-on-year, export volumes were up 11.0% and imports were 5.0% higher.

**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*



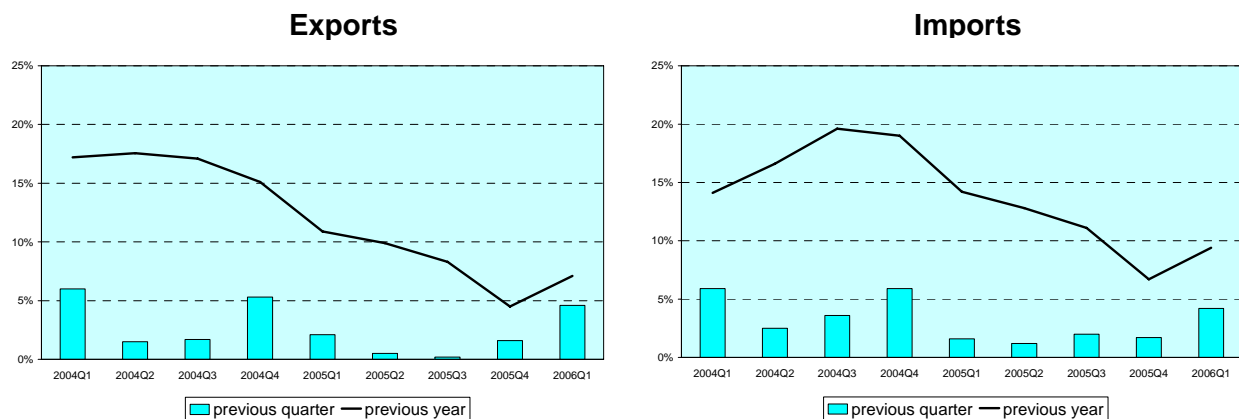
**B. Trade in Goods and Services Values (balance of payments data)**

Export growth of goods and services in **G7 countries**, measured in current US dollars, increased to a seasonally-adjusted 4.6% quarter-on-quarter in the first quarter of 2006. Imports grew 4.2% in the same period.

The value of **G7** goods exports rose 5.1% in the first quarter of 2006. Goods imports rose 4.5%, in value terms in the first quarter.

Year-on-year **G7** export value growth for goods and services increased to 7.1%, while import growth increased to 9.4%.

**Value Growth in G7 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)*

	2004				2005				2006
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>Major Seven*</b>	2.4	2.9	0.4	1.0	-0.9	3.8	-0.9	5.1	2.9
<b>Canada</b>	0.3	6.1	-1.0	-1.4	2.6	-0.6	-1.9	7.3	-1.7
<b>France</b>	1.2	4.0	0.7	0.9	0.8	2.9	-2.8	5.7	5.9
<b>Germany</b>	6.4	2.6	-0.8	2.9	-3.9	7.1	-1.5	7.0	2.3
<b>Italy</b>	-0.7	5.6	1.0	0.4	-4.4	2.9	1.0	-2.3	n.a.
<b>Japan</b>	3.1	1.9	-0.2	-0.8	-1.6	1.4	0.0	5.3	4.0
<b>United Kingdom</b>	-1.2	1.0	1.6	2.6	-1.5	7.0	-4.1	12.2	3.1
<b>United States</b>	1.9	2.0	1.9	0.9	1.4	3.8	0.7	1.9	4.8
<b>EU-15 Extra EU</b>	4.9	2.0	0.2	0.5	0.4	4.5	3.2	2.9	-2.2

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

	2004				2005				2006
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>Major Seven*</b>	1.9	3.3	1.8	2.2	0.0	1.6	1.6	2.2	1.3
<b>Canada</b>	0.4	4.1	4.0	1.3	3.2	-1.2	4.7	2.1	-0.1
<b>France</b>	1.2	6.8	2.9	0.4	2.3	2.1	0.4	5.0	0.3
<b>Germany</b>	-0.9	3.4	2.7	2.2	-4.9	7.8	2.0	2.1	-1.7
<b>Italy</b>	2.4	3.0	0.5	1.3	-3.2	0.9	1.7	-1.6	n.a.
<b>Japan</b>	2.5	0.1	1.1	2.4	-0.7	0.5	2.0	-0.1	2.6
<b>United Kingdom</b>	2.4	2.2	1.8	2.2	-1.6	2.6	2.4	1.1	1.3
<b>United States</b>	3.0	3.5	1.2	3.1	2.0	-0.2	0.8	3.2	3.4
<b>EU-15 Extra EU</b>	1.5	2.4	2.0	1.0	-2.1	3.5	2.3	1.7	0.3

\* Secretariat estimates for Italy in Q1 2006

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

	2004				2005				2006
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>Major Seven*</b>	7.2	10.1	8.6	6.8	3.3	4.3	2.9	7.1	11.2
<b>Canada</b>	2.7	9.0	9.2	3.8	6.1	-0.5	-1.4	7.3	2.8
<b>France</b>	3.9	11.0	8.8	6.9	6.6	5.4	1.8	6.6	11.9
<b>Germany</b>	11.7	13.7	8.8	11.5	0.6	5.0	4.3	8.4	15.5
<b>Italy</b>	0.2	5.3	4.3	6.4	2.3	-0.3	-0.2	-2.9	n.a.
<b>Japan</b>	11.3	13.5	12.3	4.2	-0.7	-1.2	-1.0	5.0	11.0
<b>United Kingdom</b>	0.6	-0.6	0.6	4.0	3.7	9.8	3.7	13.4	18.7
<b>United States</b>	8.4	10.5	10.1	6.8	6.3	8.2	6.9	8.0	11.7
<b>EU-15 Extra EU</b>	8.7	11.6	8.7	7.7	3.1	5.6	8.8	11.4	8.5

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

	2004				2005				2006
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>Major Seven*</b>	7.2	9.6	11.0	9.5	7.5	5.7	5.5	5.5	6.9
<b>Canada</b>	3.8	7.1	13.2	10.2	13.3	7.5	8.2	9.1	5.6
<b>France</b>	5.7	14.6	15.9	11.7	12.9	7.9	5.3	10.2	7.9
<b>Germany</b>	6.0	9.7	11.1	7.6	3.2	7.6	6.9	6.8	10.3
<b>Italy</b>	2.8	5.1	4.4	7.3	1.4	-0.7	0.5	-2.3	n.a.
<b>Japan</b>	8.1	6.4	6.7	6.1	2.8	3.2	4.1	1.6	5.0
<b>United Kingdom</b>	7.9	7.3	8.9	8.8	4.6	5.0	5.6	4.5	7.6
<b>United States</b>	9.1	11.2	12.3	11.2	10.1	6.1	5.7	5.9	7.3
<b>EU-15 Extra EU</b>	7.0	7.5	8.7	7.1	3.3	4.4	4.7	5.4	8.0

\* Secretariat estimates for Italy in Q1 2006

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

**G7 Quarterly Value Growth (current prices USD)**  
*Percentage change on the previous quarter (seasonally adjusted)*

		2005				2005				2006
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>EXPORTS</b>	<b>Goods &amp; Services</b>	6.0	1.5	1.7	5.3	2.1	0.5	0.2	1.6	4.6
	<b>Goods</b>	5.8	1.5	1.9	5.0	2.0	0.7	0.6	1.4	5.1
	<b>Services</b>	6.9	1.1	0.8	6.2	2.6	-0.1	-1.2	2.5	2.9
<b>IMPORTS</b>	<b>Goods &amp; Services</b>	5.9	2.5	3.6	5.9	1.6	1.2	2.0	1.7	4.2
	<b>Goods</b>	5.9	3.0	3.8	6.0	1.8	1.5	2.4	2.4	4.5
	<b>Services</b>	5.6	0.3	2.9	5.3	1.1	-0.1	0.4	-1.3	2.5

**G7 Annual Value Growth (current prices USD)**  
*Percentage change on the same quarter of the previous year*

		2005				2005				2006
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>EXPORTS</b>	<b>Goods &amp; Services</b>	17.2	17.6	17.1	15.1	10.9	9.9	8.3	4.5	7.1
	<b>Goods</b>	17.0	17.1	17.4	15.0	10.9	9.9	8.5	4.8	7.9
	<b>Services</b>	18.1	19.3	16.2	15.6	11.0	9.7	7.5	3.8	4.0
<b>IMPORTS</b>	<b>Goods &amp; Services</b>	14.1	16.6	19.6	19.0	14.2	12.8	11.1	6.7	9.4
	<b>Goods</b>	13.5	16.3	20.8	20.0	15.3	13.7	12.1	8.3	11.3
	<b>Services</b>	16.4	17.6	15.0	14.8	9.9	9.5	6.9	0.1	1.5

## 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.

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.

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 2005 the total exports of goods and services of the 30 OECD member countries amounted to 8.5 trillion US Dollars, while imports were higher at 8.9 trillion USD. Goods accounted for 78% of OECD exports of goods and services and 80% of imports. G7 exports of goods and services in 2005 were 5.1 trillion USD and G7 imports of goods and services 5.7 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.*

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

Information about detailed OECD statistics on trade in goods and trade in services can be found at [ITS Internet Site](#).

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

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**Next release: October 2006**