The WTO’s Goods Trade Barometer provides real-time information on the trajectory of world trade relative to recent trends. The latest reading of 96.6 is a slight improvement on the previous reading of 95.7 but it remains below the baseline value of 100 for the index, suggesting continued weakness in merchandise trade into Q4. Some component indices have stabilized while others continue to trend downwards, reflecting heightened trade tensions and rising tariffs in key sectors.

World merchandise trade volume

Goods trade has stalled in recent months, as evidenced by declining year-on-year growth in the volume of world merchandise trade, shown in the chart to the left. According to the latest WTO quarterly trade volume indices, merchandise trade was up 0.2% year-on-year in the second quarter of 2019, compared with 3.5% in the same quarter of last year. The latest barometer reading suggests that goods trade will likely remain below trend in the third quarter and into the fourth quarter.

Drivers of goods trade

The latest reading in the overall barometer index was driven by modest improvements in some component indices and further declines in others. Indices for export orders (97.5), automotive products (99.8), and container shipping (100.8) have firmed up into on-trend territory. However, indices for air freight (93.0), electronic components (88.2), and raw materials (91.4) were all on a downward trajectory well below trend. Electronic components trade was weakest of all, possibly reflecting recent tariff hikes affecting the sector.
Component indices

Export orders 97.5
(Index, trend = 100)

Source: IHS Markit.

International air freight (IATA) 93.0
(Index, trend = 100)

Source: IATA.

Container port throughput 100.8
(Index, trend = 100)

Source: ISL.

Automobile production and sales 99.8
(Index, trend = 100)


Electronic components 88.2
(Index, trend = 100)

Source: TDM.

Agricultural raw materials 91.4
(Index, trend = 100)

Source: TDM.
Data on international air freight courtesy of the International Air Transport Association (IATA). Air freight has proved to be a very timely indicator of overall world trade and an early signal of turning points in recessions. Further information and analysis available here:

- IATA Quarterly Analysis: [http://www.iata.org/cargochartbook](http://www.iata.org/cargochartbook)
- [monthly-analysis](#)

Other sources: WTO Secretariat for quarterly merchandise trade volume, TDM Trade Data Monitor database for electronic components and agricultural raw materials, Institute for Shipping Economics and Logistics for container throughput. Export orders from IHS-Markit Global PMI.

Details on the methodology of the trade outlook indicator are available on the WTO website at the following address:


Short-term WTO trade statistics (quarterly and monthly) can be obtained here:

[https://www.wto.org/english/res_e/statis_e/short_term_stats_e.htm](https://www.wto.org/english/res_e/statis_e/short_term_stats_e.htm)

The WTO issues a separate semi-annual trade forecasts projecting trade growth over two years. The latest release is available for download here:

[https://www.wto.org/english/news_e/pres19_e/pr840_e.htm](https://www.wto.org/english/news_e/pres19_e/pr840_e.htm)