1.4 Trade indicators

In 2022, **Hong Kong (China)** ranks **highest** in trade-openness

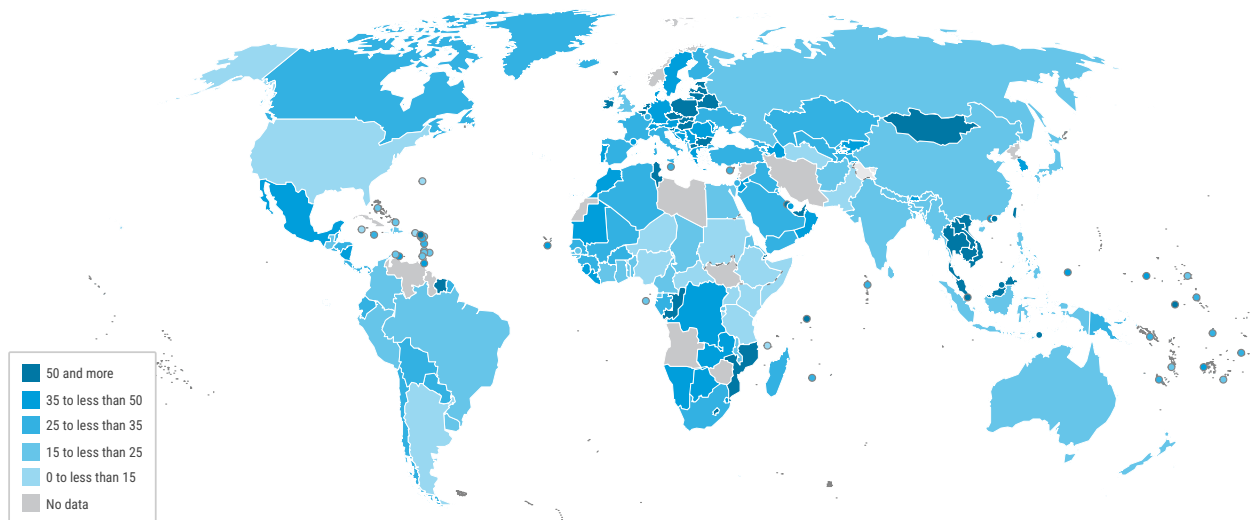**Growth in** global exports **volumes turned negative** in the second quarter of 2023:

-0.6%

Global supply of **manufacturing** remained **more concentrated** over exporters than of **other types of products**, in 2022

Exports from **Western Asia** and **Northern Africa** relatively highly concentrated on a **narrow range** of **products**

Map 1. Trade openness index, 2022

(Percentage)

- 50 and more
- 35 to less than 50
- 25 to less than 35
- 15 to less than 25
- 0 to less than 15
- No data

Note: This index measures the importance of international trade in goods relative to the domestic economic output of an economy. Exports are given equal weight to imports.

How important is trade for economies?

In 2022, Hong Kong (China) reported the highest trade openness index, as the average value of its exports and imports of goods represented 170 per cent of its GDP. Djibouti (122 per cent) and Singapore (117 per cent) ranked second and third, respectively. The ratios are much lower for some of the world's largest economies. The United States of America recorded 10 per cent, Japan 19 per cent, and China 17 per cent.

How did the volume of trade change?

Adjusting the development of merchandise trade by the movements in the traded goods' prices reveals that the increase in global trade in 2022 (see chapter 1.1) was primarily a monetary phenomenon. The volume index of global merchandise exports remained almost constant throughout the year, seasonally adjusted. In the first two quarters of 2023, export volumes slightly increased in developing and slightly decreased in developed economies.
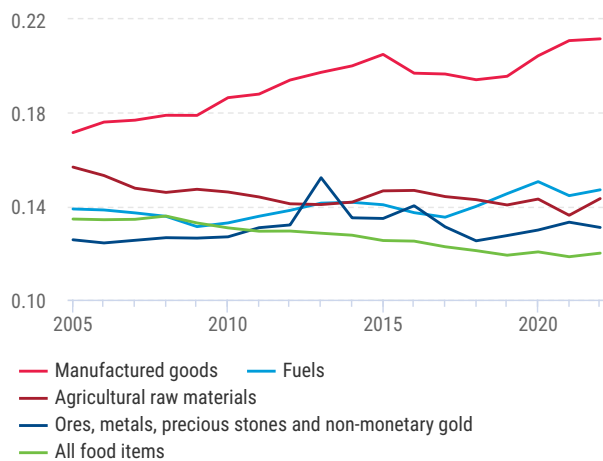
Figure 1. Volume of merchandise exports

(2005=100, seasonally adjusted)

— World
— Developing economies
— Developed economies
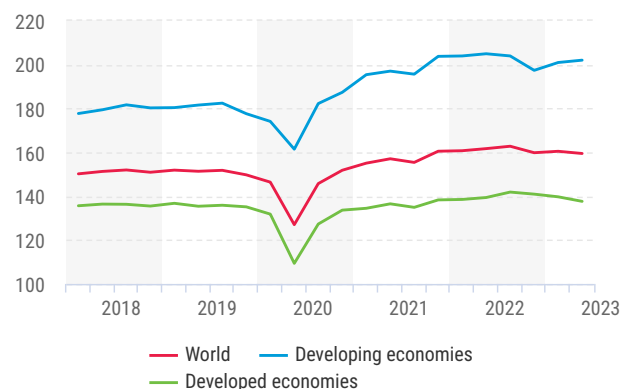
Note: This index indicates the change in exports, adjusted for the movement of prices, relative to the base year. Seasonal adjustment is based on X-12-ARIMA.

How concentrated was global product supply?

Figure 2. Market concentration index of exports

Legend:
— Manufactured goods
— Agricultural raw materials
— Ores, metals, precious stones and non-monetary gold
— All food items
— Fuels

Note: This index measures the extent to which a high proportion of exports is delivered by a small number of economies. It has a value of 1 if all exports originate from a single economy.

Looking at the geographic distribution of exports by product group, manufactured products have been the group with the highest concentration of global supply from a few exporting economies, since 2005. In 2022, its market concentration index stood at 0.21. Fuels (0.15) and agricultural raw materials (0.14) ranked second and third. The index of ores, metals, precious stones and non-monetary gold has averaged 0.13 over the last 18 years. Food exports have been most diversified since the last decade, showing an index score of 0.12 in 2022.

How concentrated was the structure of exports?

In 2022, the region with the most diversified exports over products was Europe, as indicated by a product concentration index of exports of 0.07, followed by Latin America and the Caribbean (0.10). Western Asia and Northern Africa (0.31) was the region in which exports were most concentrated on few products. Several Sub-Saharan African economies strongly engaged in the export of natural resources, such as Mali (0.85), Guinea-Bissau (0.85), South Sudan (0.84), and Botswana (0.79), were among the top fifteen with reference to the index. Tokelau (0.98) and the Marshall Islands (0.92) ranked highest.

Figure 3. Product concentration index of exports, 2022
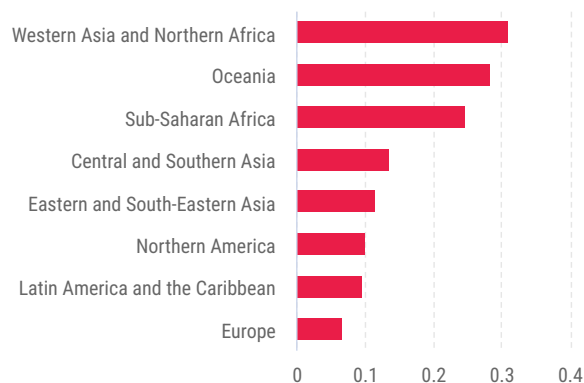
Note: This index measures the extent to which a large share of exports is accounted for by a small number of product groups. The index has a value of 1 when an economy exports only one group of products and a value of 0 if all product groups are equally represented.

Concepts and definitions

This section presents different indices that can be used to analyze trade flows and trade patterns over time from the perspective of, for example, relative competitiveness, structure of global exports and imports markets, or the importance of trade for the economy, both for individual economies and for groups of economies.

For information on how the indices in this section are calculated, see on Calculation methods page. Further guidance on their interpretation can be obtained from the "Indicators Explained" section on UNCTADstat (UNCTAD, 2023d).

For references, see UNCTAD Handbook of Statistics 2023, annex 6.4