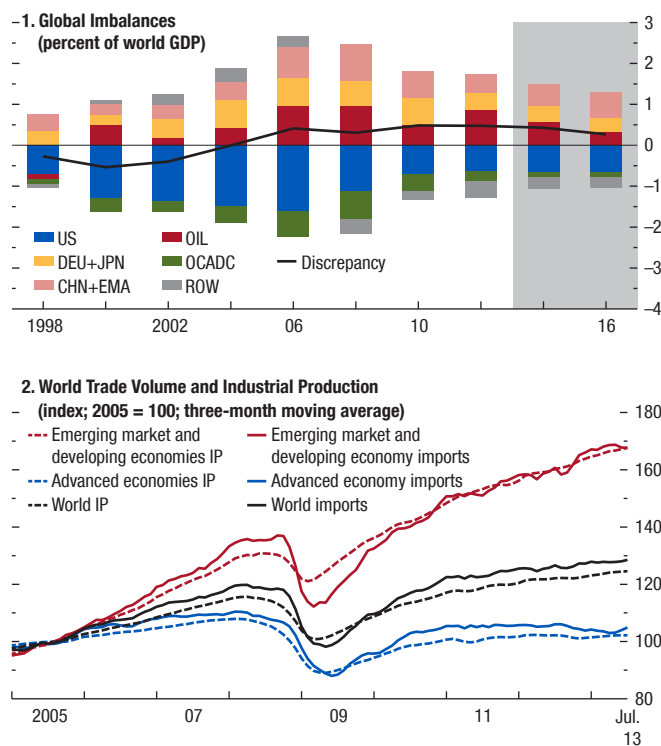


Figure 1.14. Global Trade and Imbalances

The latest slowdown in global trade is broadly consistent with the slowdown in global GDP. It has meant that global imbalances have declined modestly again. Whether imbalances stay narrow or widen again in the medium term depends on the extent to which output losses relative to precrisis trends are largely permanent: WEO projections assume they largely are consistent with historical evidence.



Sources: CPB World Trade Monitor; Haver Analytics; and IMF staff estimates.
 Note: CHN+EMA = China, Hong Kong SAR, Indonesia, Korea, Malaysia, Philippines, Singapore, Taiwan Province of China, Thailand; DEU+JPN = Germany and Japan; IP = industrial production; OCADC = Bulgaria, Croatia, Czech Republic, Estonia, Greece, Hungary, Ireland, Latvia, Lithuania, Poland, Portugal, Romania, Slovak Republic, Slovenia, Spain, Turkey, United Kingdom; OIL = oil exporters; ROW = rest of the world; US = United States.