

Global Freight: Recovery and Rebalancing?

The latest update of global freight data collected by the International Transport Forum at the OECD shows that since the financial crisis of 2008:

- ▶ **EU-27 and USA external trade by sea are attaining pre-crisis peak levels, measured in tonnes; EU-27 trade by air in tonnes even surpassed them by 16%;**
- ▶ **Exports and imports display different post-crisis recovery patterns, with tonnes exported growing more strongly than tonnes imported. The rise of BRICs and of Asia as an export destination stands out, with an 18% to 60% growth in tonnes exported compared to the pre-crisis peak.**
- ▶ **Considering values instead of tonnes produces a somewhat more mitigated picture, possibly because of changes in value-per-tonne of imports and exports as the recovery progresses;**
- ▶ **The pace of recovery appears to be slowing down, particularly in trade by air. Such a slowdown is to be expected given levels attained, but also highlights the continued presence of downside risks to the recovery;**
- ▶ **The low or zero growth in rail and road freight transport in Russia and EU contributes to the sense of weak recovery, suggesting in particular a tepid rebound in domestic demand.**

The overall positive picture for global freight is confirmed by our new data. Total external trade (in tonnes) by sea grew compared to our previous briefing both in the EU area and the United States, attaining their pre-crisis levels in February 2011 (EU27 -1%; USA -3%) measured in tonnes of goods carried, according to preliminary estimates. Air cargo recovery, noted already in our previous briefs, has continued and the volumes are now 16% above the pre-crisis levels in the EU area. However, the pace of recovery is slowing down. External trade in tonnes of goods carried by air in the United States has now fallen for seven consecutive months and total trade in tonnes is only 1% above the pre-crisis peak, according to seasonally adjusted data (Figure 1).

Exports and imports display different recovery patterns, suggesting some rebalancing of trade but not necessarily structural changes in trade relations. Tonnes of goods exported are generally recovering more strongly than imports both in the United States and EU area. Especially, exports of goods to BRICs and Asia stand out and tonnes exported by sea from the United States and EU-

▶ **Sea and air freight tonnes attained pre-crisis levels**

▶ **Recovery patterns suggest some rebalancing**

27 to BRICs are 59% and 36% respectively and for Asia 21% above their pre-crisis peaks (Figures 2-5).

Inland transport by rail and road are stagnating in the last quarter of 2010, except for the United States. Growth in road freight in the EU area has stagnated and the volumes are still 14% below pre-crisis levels, when measured in seasonally adjusted tonne-kilometers performed. The growth trend in rail freight has also come to an end in the EU and Russia with volumes 16% and 7% below 2008 peak levels. Recovery in the United States has been stronger, with rail freight volume now at 2% below pre-crisis levels (Figures 6-9).

► **Road and rail t-km stagnated in the EU Q4/2010**

Figure 1. External trade, percentage change from pre-crisis peak Jun-08
(Tonnes and current values, monthly trend, seasonally adjusted)

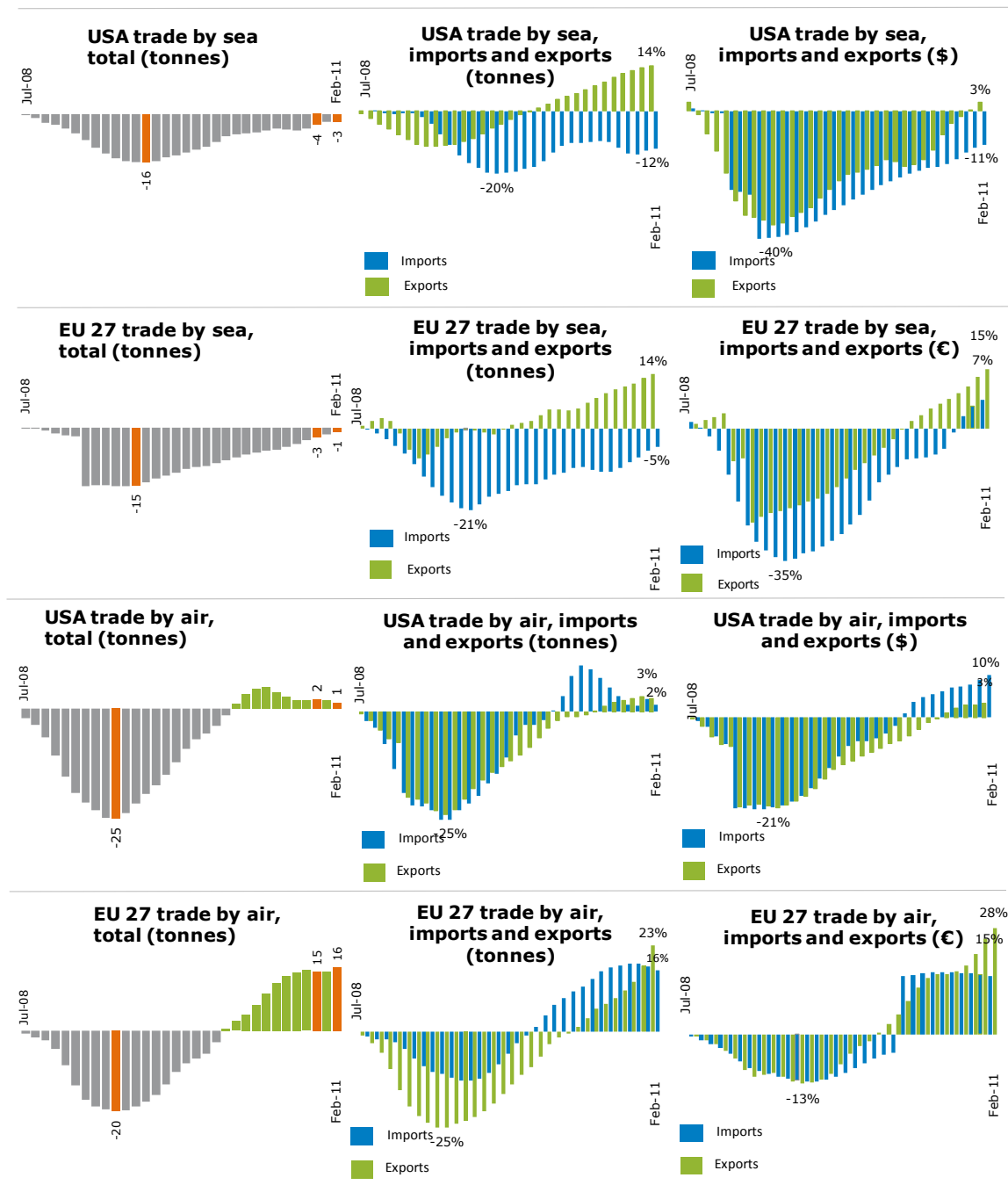


Figure 2. **United States external trade by sea in 2010, percentage change from pre-crisis peak Jun-08**
(Tonnes, monthly trend, seasonally adjusted)

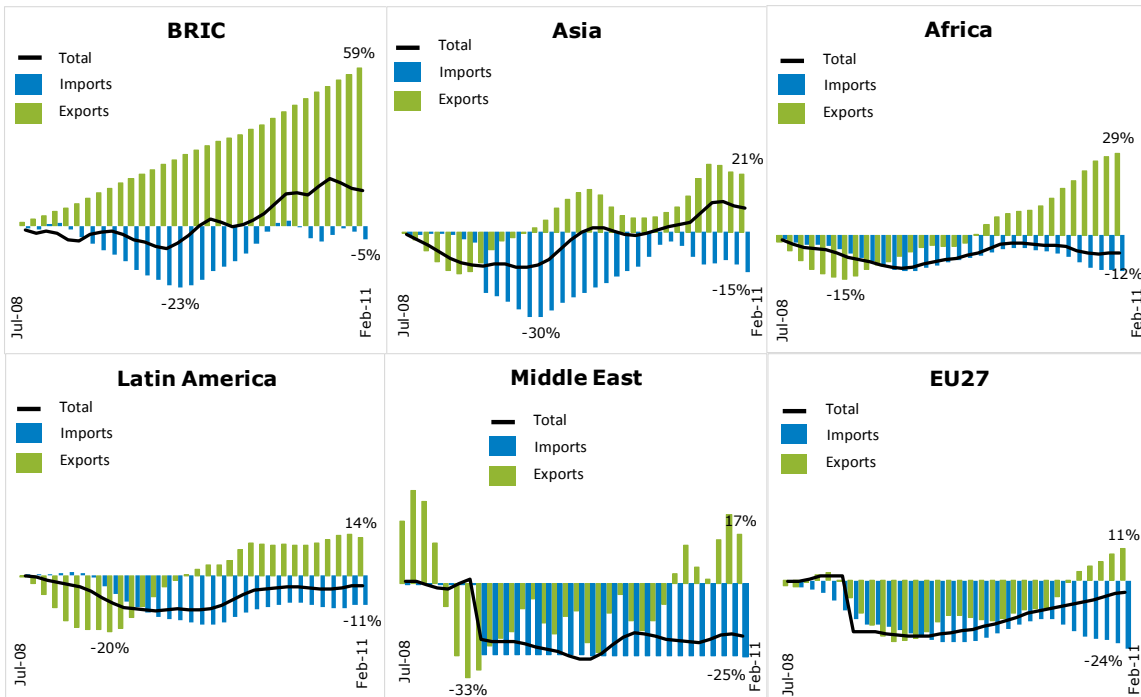


Figure 3. **EU27 external trade by sea in 2010, percentage change from pre-crisis peak Jun-08**
(Tonnes, monthly trend, seasonally adjusted)

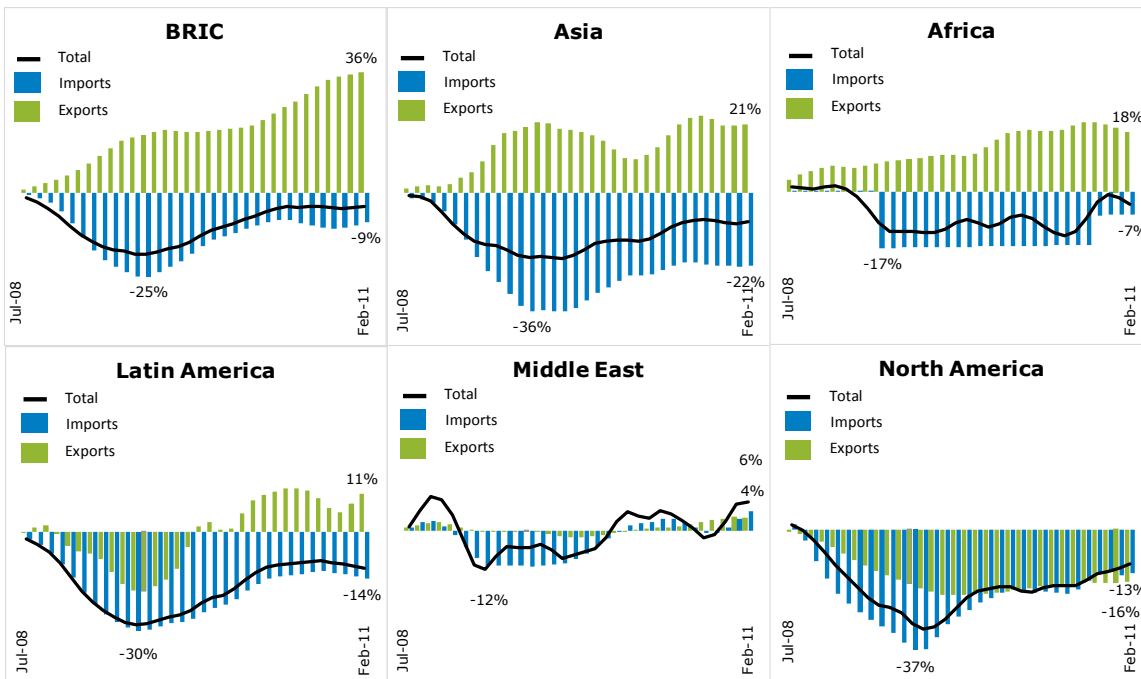


Figure 4. United States external trade by air in 2010, percentage change from pre-crisis peak Jun-08 (Tonnes, monthly trend, seasonally adjusted)

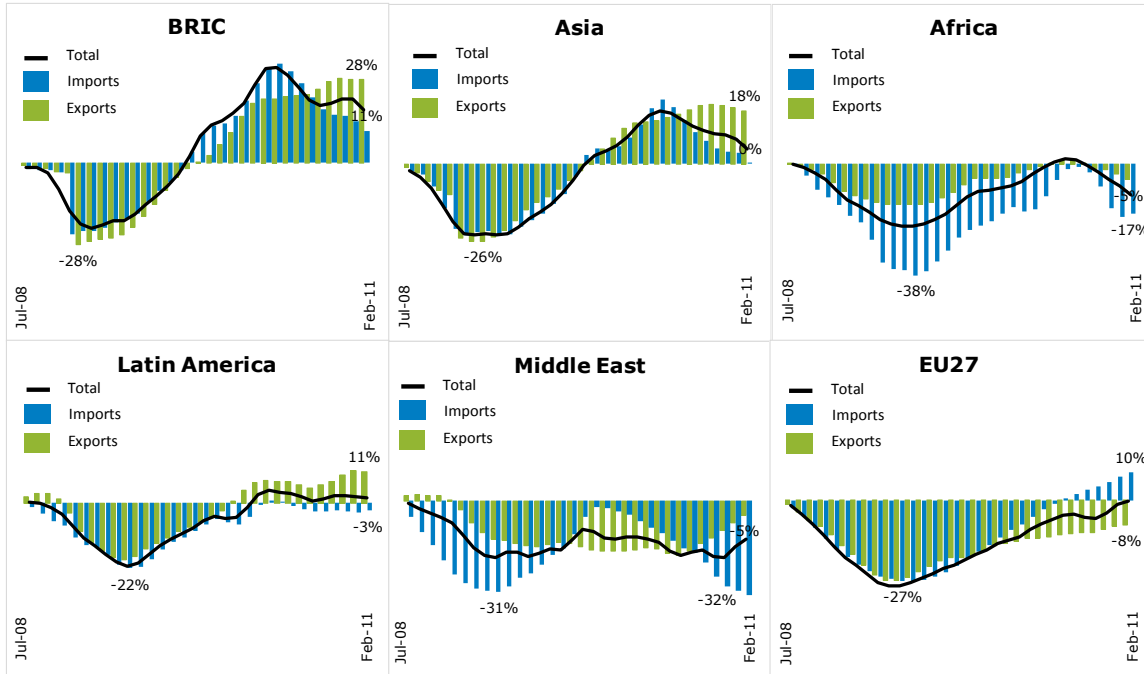


Figure 5. EU27 external trade by air in 2010, percentage change from pre-crisis peak Jun-08 (Tonnes, monthly trend, seasonally adjusted)

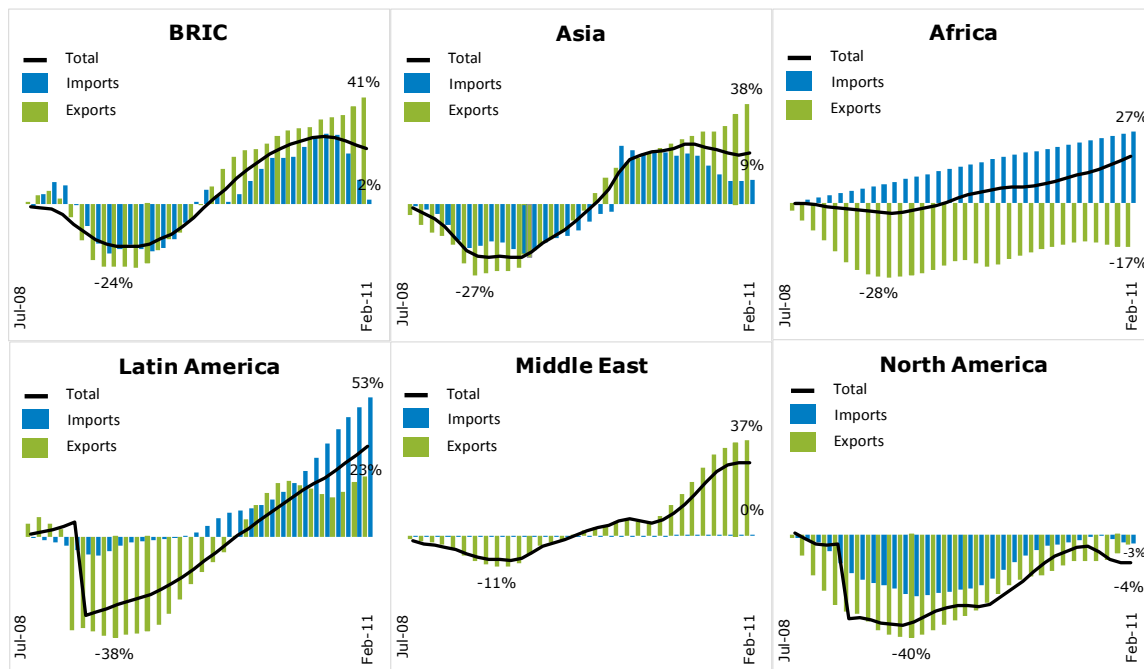
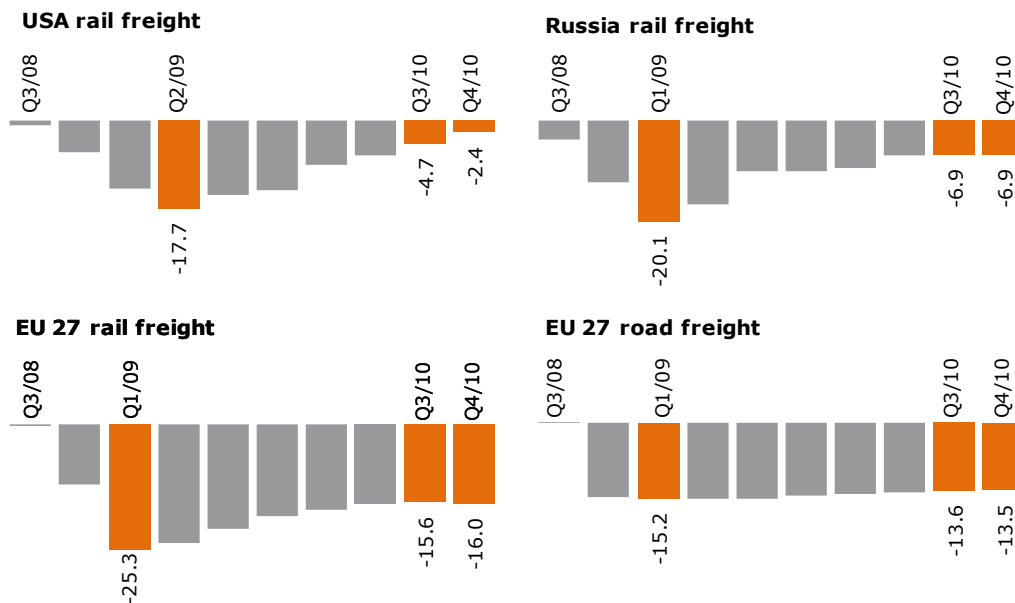
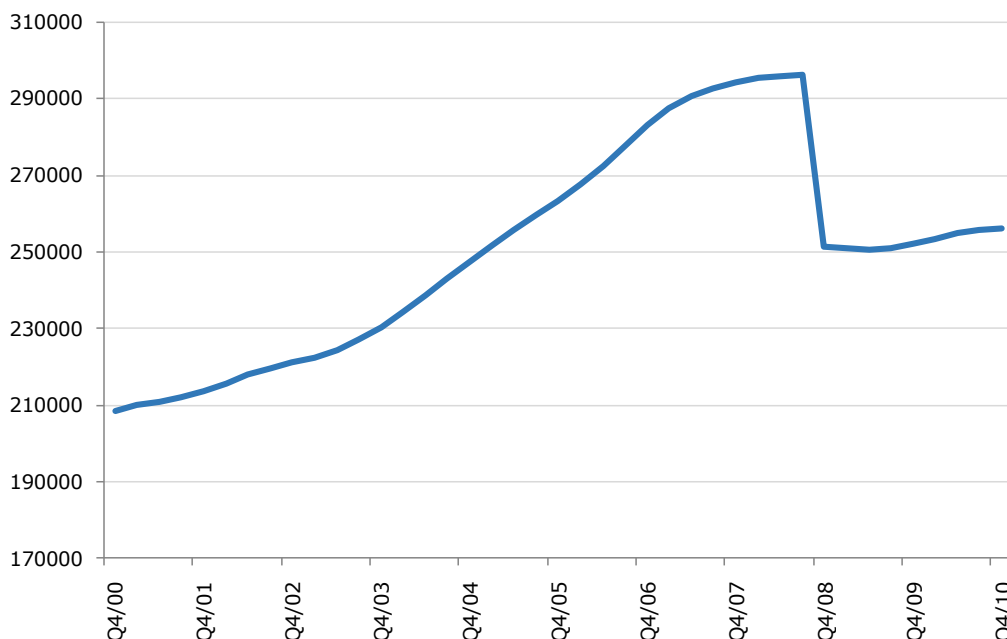


Figure 6. **National and international rail and road freight, percentage change from pre-crisis peak Q2/08**
(Tonne-km, quarterly trend, seasonally adjusted)



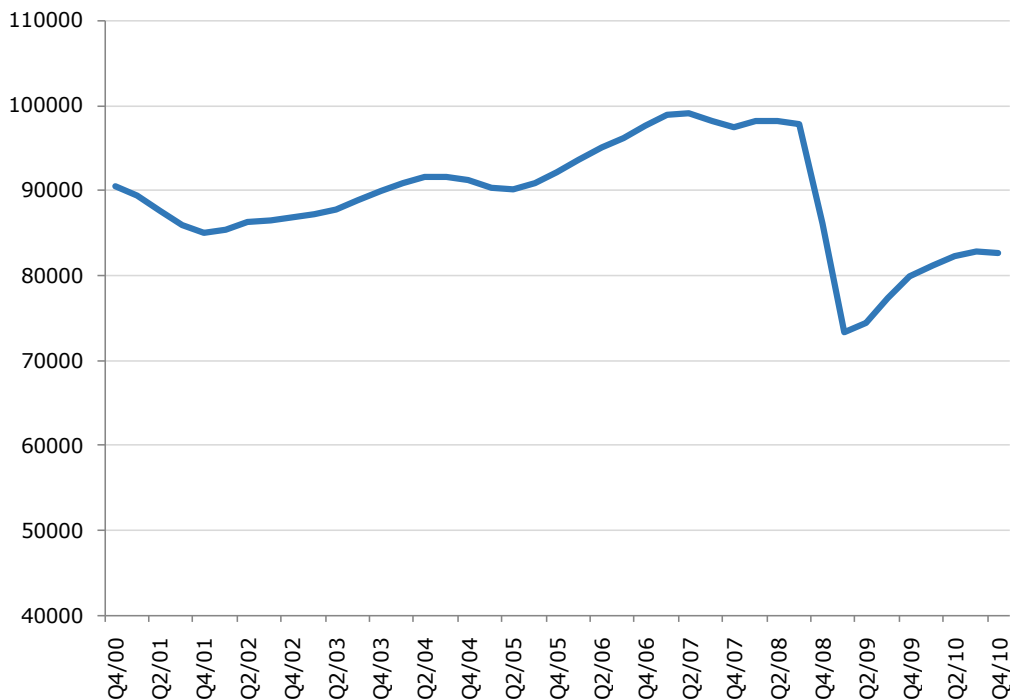
Note: Data on road freight in the EU area include Czech Republic, Denmark, Estonia, Finland, France, Germany, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, Spain, Sweden. These cover around 65% of total road freight in the EU. Data on rail freight in the EU area exclude Austria, Belgium, Greece, Luxembourg and Netherlands. Data coverage around 95% of total rail freight in the EU.

Figure 7. **National and international road freight in the EU**
(Million tonne-km, trend, seasonally adjusted)



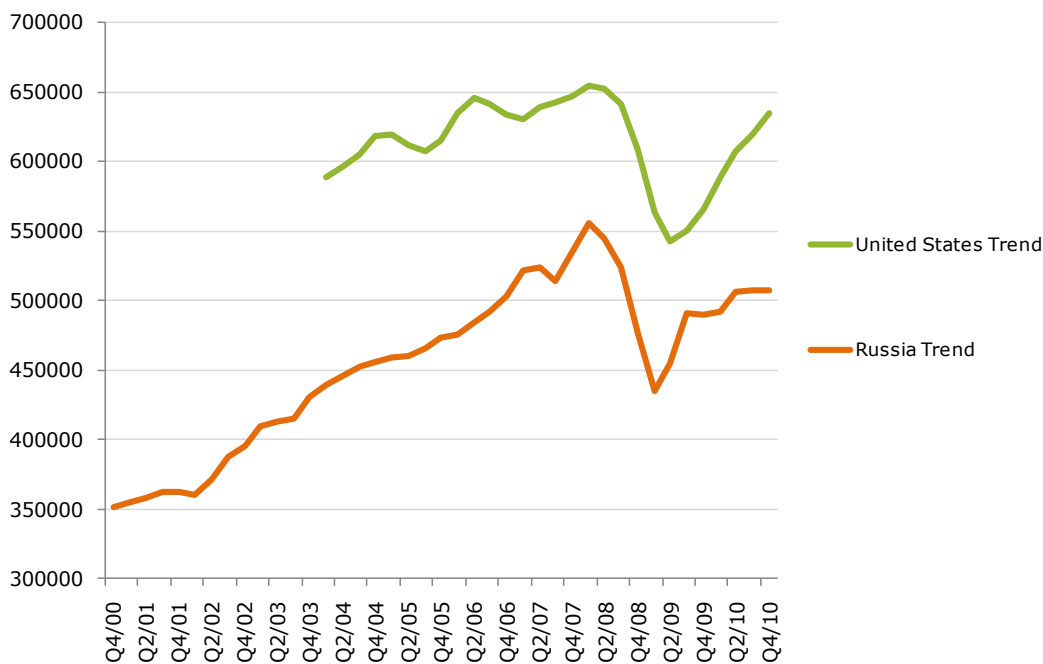
Note: See note in Figure 6 for data coverage.

Figure 8. National and international rail freight in the EU
(Million tonne-km, trend, seasonally adjusted)



Note: See note in Figure 6 for data coverage.

Figure 9. National and international rail freight in the United States and Russian Federation
(Million tonne-km, trend, seasonally adjusted)



Methodological note

The International Transport Forum Statistics Brief on Global Trade and Transport presents the latest global freight transport trends based on the Global Trade and Transport Database and the ITF Quarterly Transport Statistics. These data are collected by the Secretariat through a questionnaire and from external sources, including Eurostat, US Census and Japan Customs. National data are seasonally adjusted by the International Transport Forum Secretariat for analytical purposes.

Short-term data is normally compiled to allow timely identification of changes in any indicator and especially to identify possible turning points. However, monthly or quarterly transport statistics are often characterized by seasonal patterns. Seasonal adjustment filters out usual seasonal fluctuations that recur with similar intensity in the same season every year. Trend, in turn, excludes also other irregular factors (such as strikes and impact of weather) from a time series. A time series from which the seasonal variations have been eliminated basically allows for the comparison of data between two quarters for which seasonal patterns are different, also helping to identify turning points and the underlying direction of the change.

Seasonal adjustment is carried out with the Demetra program using the TRAMO/SEATS adjustment method. Seasonally adjusted estimates may differ from those produced by national authorities due to differences in the adjustment methodology.

For more detailed description of methodology, [click here](#).

The next brief is scheduled for release the first week of September 2011. If you would like to receive further issues of the Statistics Brief or more information, please contact: Mr Jari Kauppila (jari.kauppila@oecd.org).

For additional information on transport statistics, go to www.internationaltransportforum.org/statistics/shortterm/index.html.