

Global Freight Volumes Remain Stagnant and Highlight Concerns over Potential Decline in Europe

The latest global freight data collected by the International Transport Forum at the OECD through March 2012 highlight concerns over possible decline in the EU-27:

- ▶ External trade by sea, measured in tonnes of goods moved, in the EU-27 and the USA remain stagnant below pre-crisis levels;
- ▶ External trade by air, considered a lead indicator for overall economic performance, suggests near-term decline in the EU-27 as trade languishes below pre-crisis levels;
- ▶ BRIICS and Asia remain locomotives of global growth although trade with Asia shows signs of levelling off. EU-27 exports to China fall both for air and sea;
- ▶ Weak recovery in road and rail freight, especially in the EU-27, reflects continued weak domestic demand.

The overall picture for global freight is one of stagnation with indications for near-term decline in economic performance for the EU-27. Total external trade by sea (in tonnes) remains stagnant below pre-crisis levels in the EU-27 and the United States (-5% and -6%) according to seasonally adjusted preliminary estimates of goods carried until March 2012. Air cargo, on the other hand, shows diverging trends. The decline in freight transport by air continues in the EU as volumes stay -4% below the pre-crisis peak while in the USA external trade by air has recovered gradually to 1% above pre-crisis levels (Figure 1).

Within the EU-27, the German economy shows resistance towards an otherwise stagnating trend. Total trade by sea grew throughout the crisis and is now 12% above the pre-crisis level. Air freight recovered rapidly to the end of 2009 then slowed down but recent air cargo data show signs of picking up. In contrary, trade by sea and air in France and the United Kingdom remain below the pre-crisis peaks. Overall, advanced economies' weak domestic demand is reflected in import figures that have remained below pre-crisis levels, with the exception of Germany (Figures 1-3).

Exports to BRIICS countries and Asia remain the locomotive of growth. Exports by sea to BRIICS from the EU-27 and the USA reached new highs in March 2012 and were 52% and 59% above pre-crisis levels respectively. However, exports by sea to Asia show signs of slowing down since the beginning of 2012. EU-27 exports to China, specifically, declined markedly. Trade by air from the EU area to BRIICS and Asia further confirms this downward trend by remaining flat following the decline that set in mid-2011 (Figures 4-8).

▶ Air freight volumes languish below pre-crisis levels in the EU-27

▶ Imports remain depressed except for Germany

▶ Dependency on BRIICS and Asia remains

Inland transport by rail and road continue to reflect the sense of weak recovery in domestic demand, especially in the EU area. Rail freight declined in the EU during the last quarter of 2011, falling to -7% below the pre-crisis levels while road freight growth remains slow. Rail freight in the USA and Russia has recovered back to pre-crisis levels, further highlighting the difference in performance between these markets and the EU area (Figures 9-10).

► **Inland freight remains weak in EU**

Figure 1. **External trade, % change from pre-crisis peak Jun-08**
(Tonnes, monthly trend, seasonally adjusted)

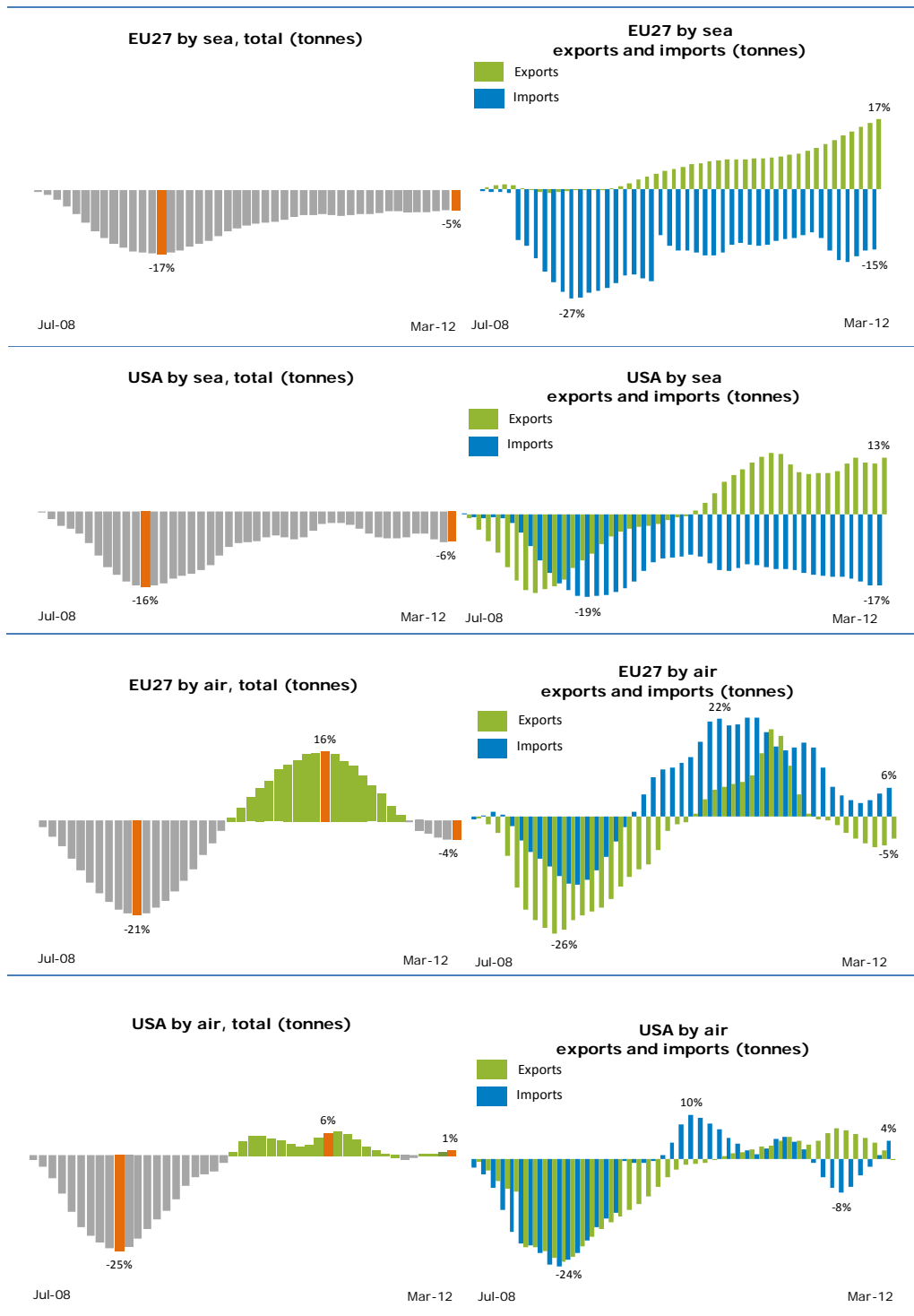


Figure 2. **External trade by sea, % change from pre-crisis peak Jun-08**
(Tonnes, monthly trend, seasonally adjusted)

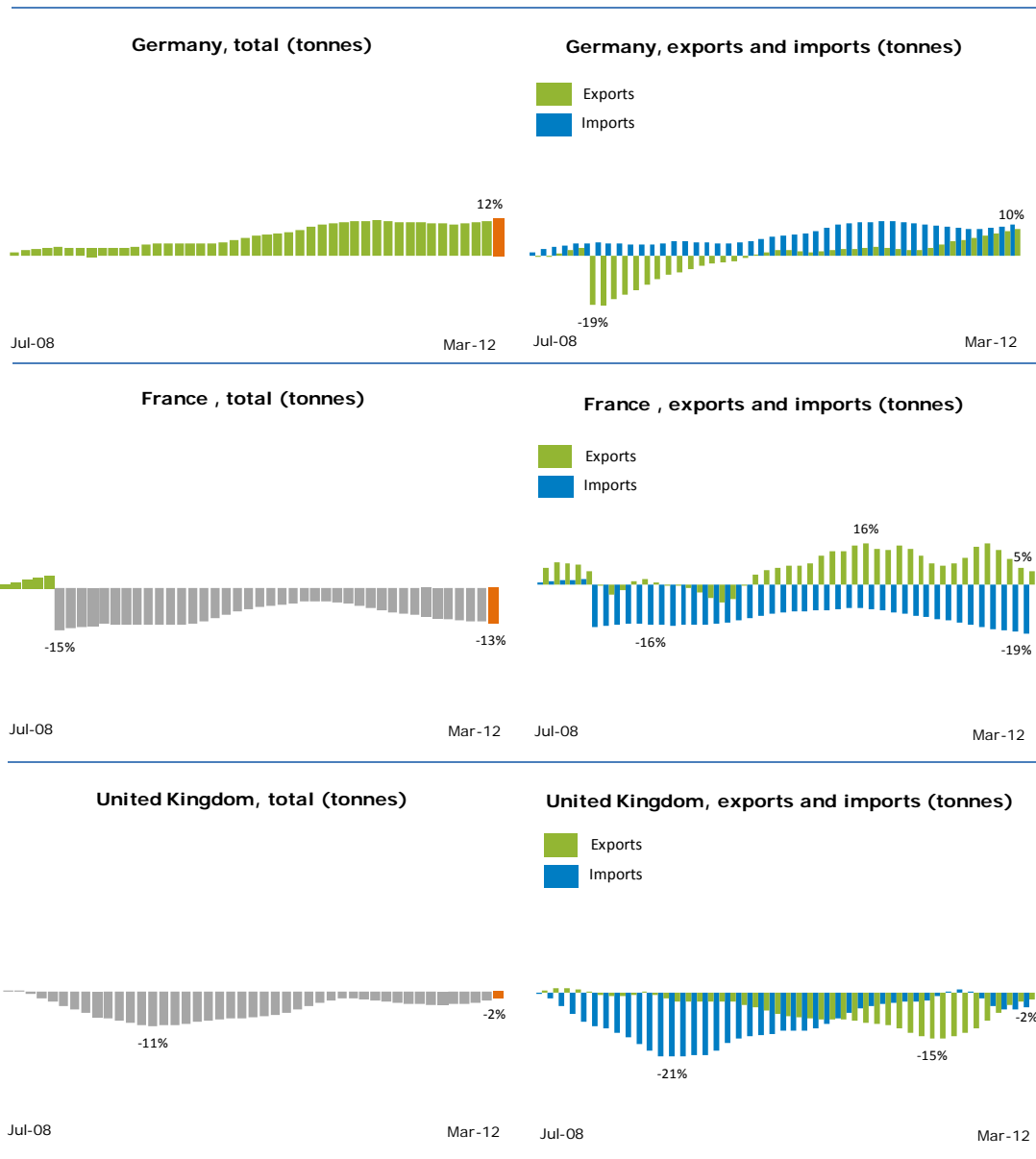


Figure 3. **External trade by air, % change from pre-crisis peak Jun-08**
(Tonnes, monthly trend, seasonally adjusted)

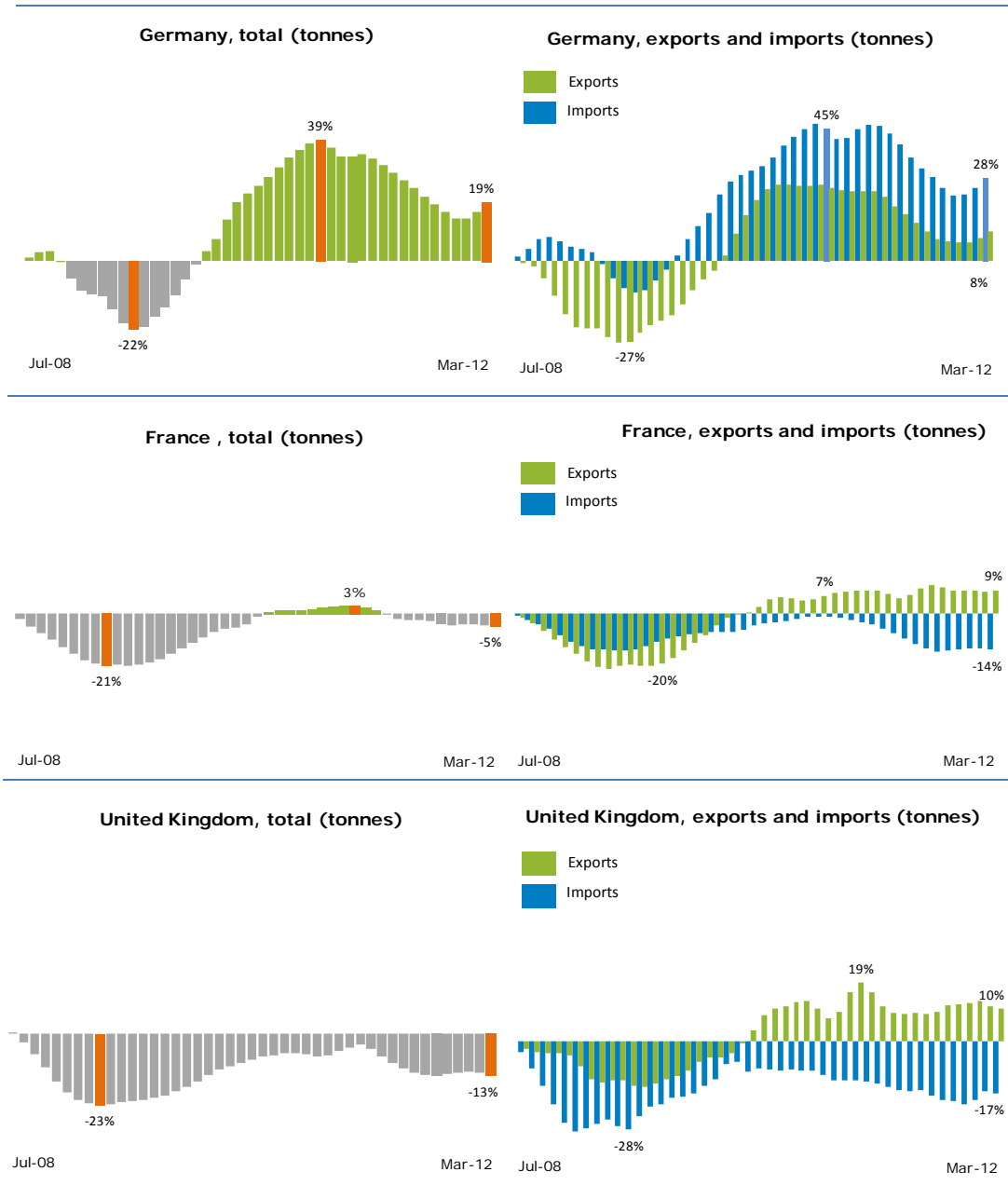


Figure 4. EU27 external trade by sea, % change from pre-crisis peak Jun-08
(Tonnes, monthly trend, seasonally adjusted)

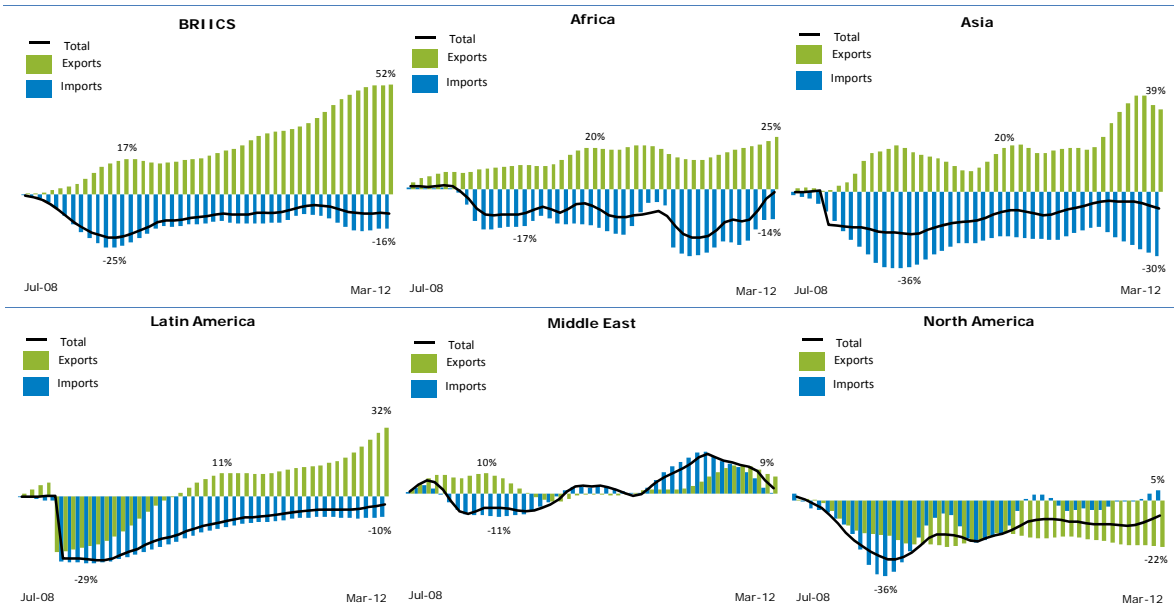


Figure 5. USA external trade by sea, % change from pre-crisis peak Jun-08
(Tonnes, monthly trend, seasonally adjusted)

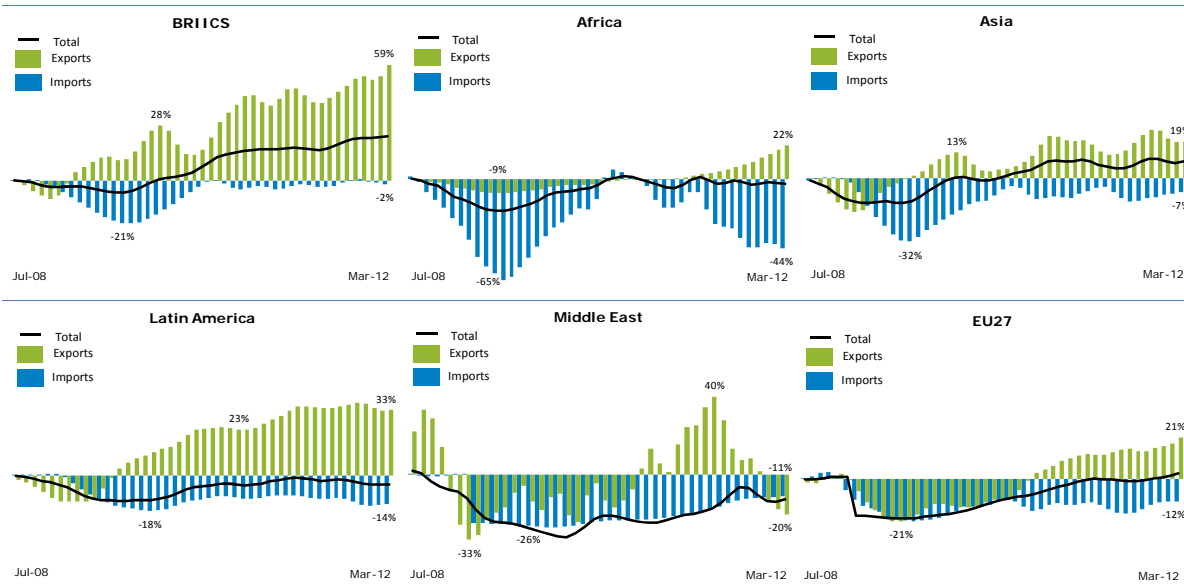


Figure 6. EU27 external trade by air, % change from pre-crisis peak Jun-08
(Tonnes, monthly trend, seasonally adjusted)

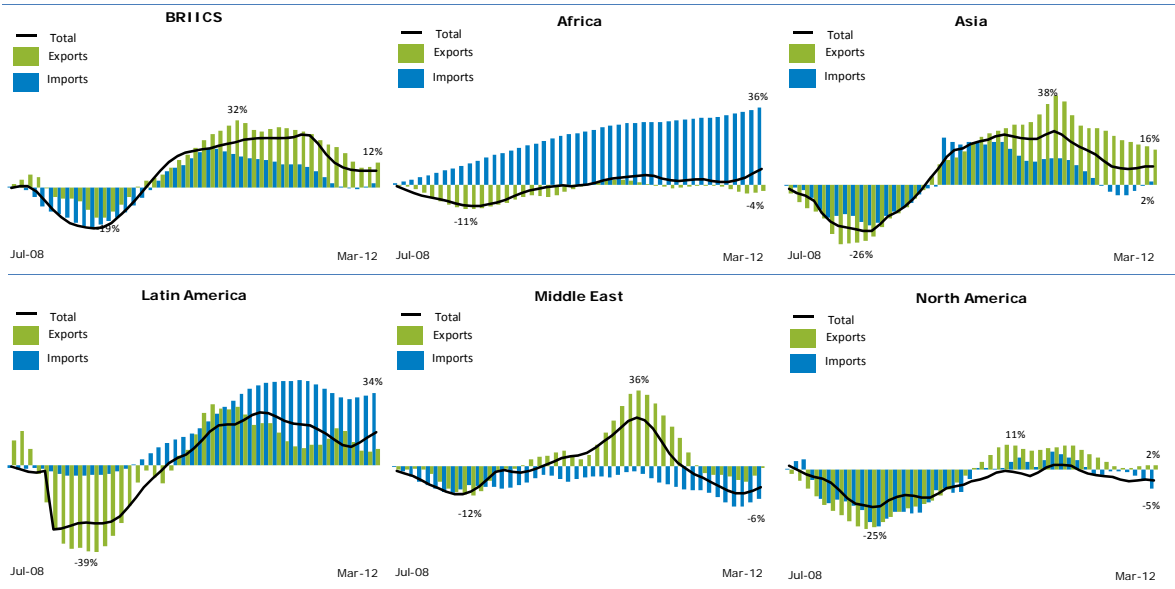


Figure 7. USA external trade by air, % change from pre-crisis peak Jun-08
(Tonnes, monthly trend, seasonally adjusted)

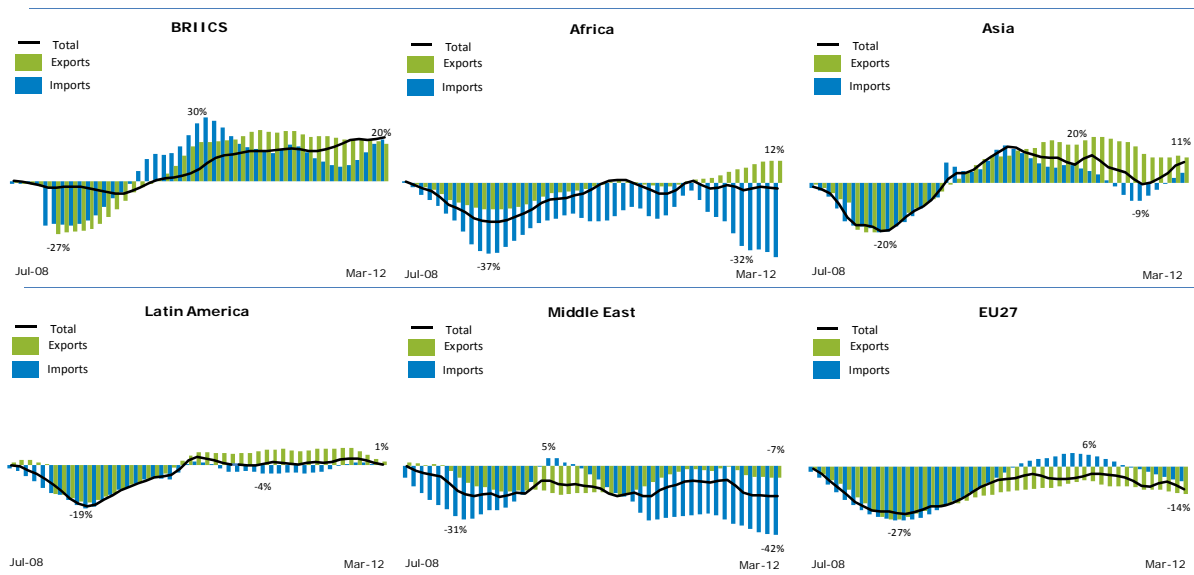


Figure 8. **EU-27 and USA external trade with China, % change from pre-crisis peak Jun-08**
(Tonnes, monthly trend, seasonally adjusted)

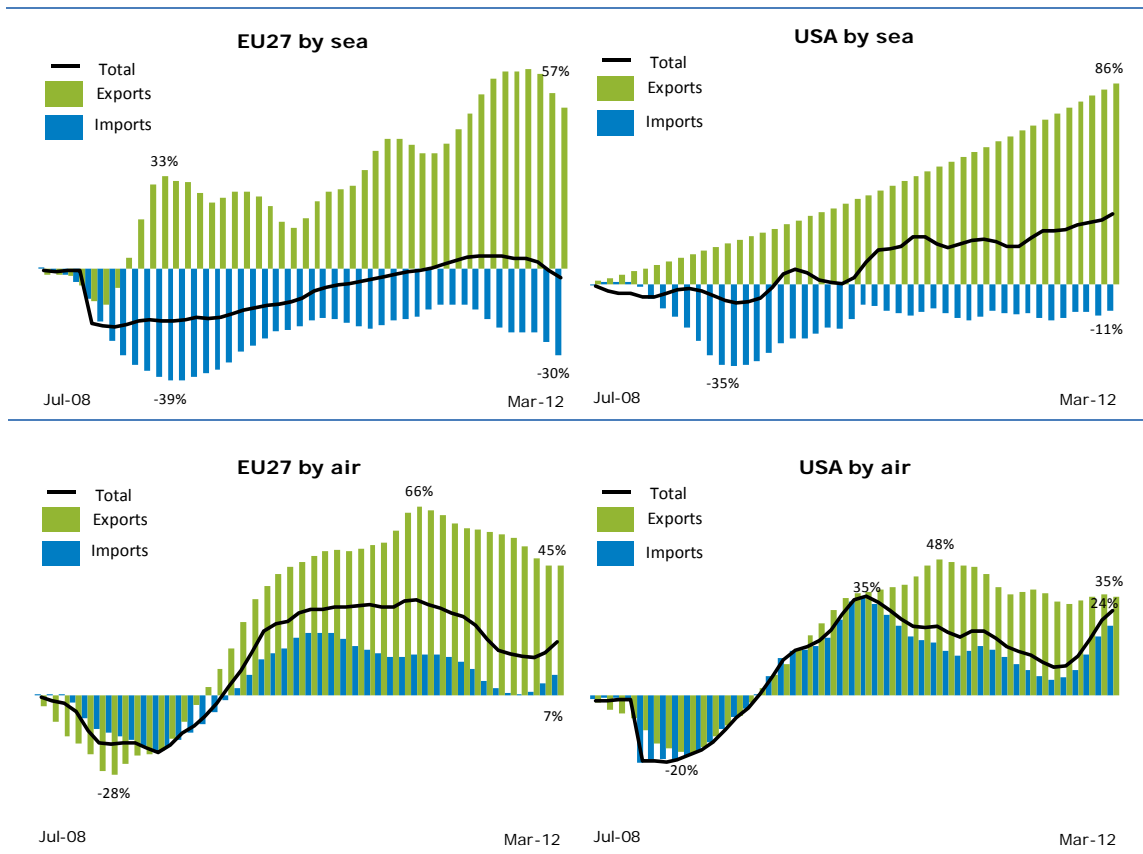
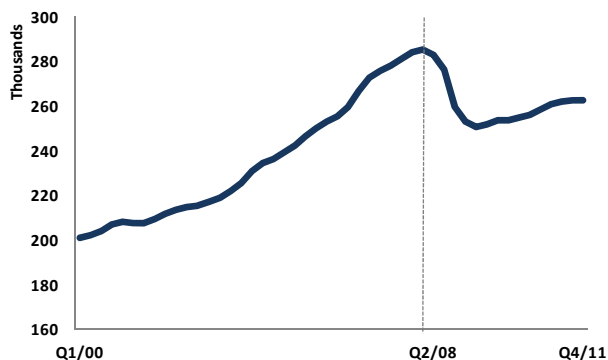
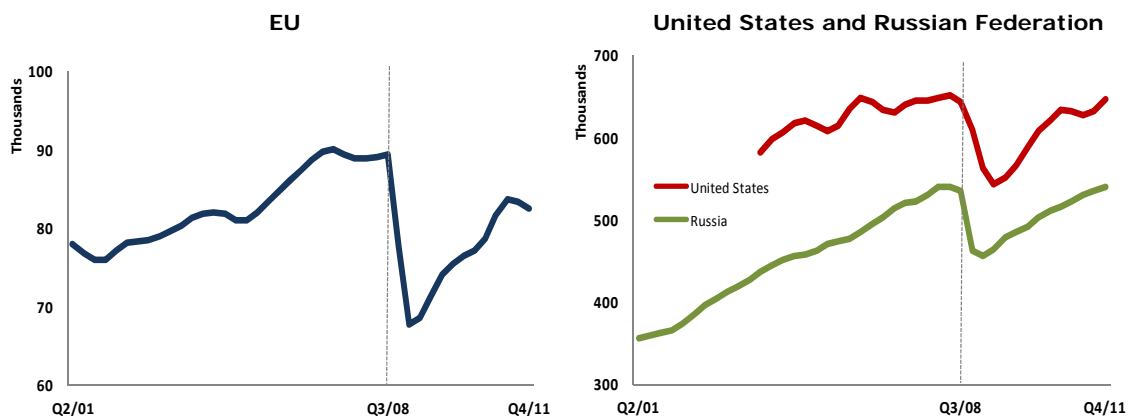


Figure 9. **National and international road freight in the EU**
(Million tonne-km, trend, seasonally adjusted)



Note: Data on road freight in the EU area include Bulgaria, Czech Republic, Denmark, Estonia, Finland, France, Germany, Hungary, Latvia, Lithuania, Poland, Slovakia, Spain, Sweden. These cover around 65% of total road freight in the EU.

Figure 10. **National and international rail**
(Million tonne-km, trend, seasonally adjusted)



Note: Data on rail freight in the EU area include Bulgaria, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Latvia, Lithuania, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, United Kingdom. These cover around 95% of total rail freight in the EU.

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 characterised 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](#).

If you would like to receive further issues of the Statistics Brief or more information, please contact: Mr Edouard Chong (edouard.chong@oecd.org) or Mr Jari Kauppila (jari.kauppila@oecd.org).

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