



EcoBrief

French trade balance in 2022: deterioration continues, including in volume

According to our estimate, the trade deficit (goods) reached almost EUR 160 billion in 2022, after 85 billion in 2021. This sharp deterioration is mainly due to the rise in the prices of French energy imports, including oil. However, it seems that the balance on manufactured goods has also continued to deteriorate, including when viewed in terms of volume.

Customs will publish the December trade balance on Tuesday 7 February, which will allow an initial assessment of 2022. This should show the following:

- A very substantial deterioration in the balance on trade in goods in 2022, with a deficit we estimate at almost EUR 160 billion, following the already record deficit of 2021 (EUR 85 billion).
- Energy is the main factor in this deterioration, with an estimated widening of the energy balance deficit of EUR 27 to 85 billion. Firstly, due to the rise in the price of oil, but also due to the electricity balance falling into deficit (estimated at EUR 7.5 billion, compared with a surplus of 2.5 billion in 2021).
- However, the deficit on manufactured goods (EUR 58 billion in 2021) also increased and, according to our estimate, reached 80 billion in 2022. "Price" effects also play a role here due to the increase in the cost of imported materials (metals, plastics and packaging in particular).
- According to national accounts' data published with the first GDP estimate by INSEE for the fourth quarter of 2022, the balance on manufactured goods also deteriorated in volume. In constant euros, according to our estimates, the deficit reached EUR 58.5 billion in 2022 after 47 billion in 2021 (a record figure up to that point). By way of comparison, in 2012, this balance on manufactured goods in volume was slightly in surplus (nearly EUR 5 billion).
- This deterioration in the volume balance on manufactured goods can be explained mainly by the widening of the deficit on capital goods, against a backdrop of strong growth in corporate investment.

Stéphane Colliac
Senior Economist, France

