

ECONOMIC PULSE

EASING OF TENSIONS ON GLOBAL SEA FREIGHT

Tensions on global maritime freight have eased in recent weeks but remain significant and the outlook uncertain due to the disruptions in the Red Sea. The global supply-chain tension index – from the Federal Reserve Bank of New York – rose above its long-term average in February for the first time since January 2023. But the Freightos and Baltic indices both fell nearly 15% in the first three weeks of March.

In addition, the latest developments in the global manufacturing PMIs suggest that activity has stabilised: the indicator rose by 0.3 points to 50.3 and the new orders subindex also returned to expansion territory at 50.4, compared to 49.8 in the previous month. Nevertheless, the situation remains fragile and the first PMI indicators available for March show contrasting dynamics between regions (improvement in the United States and China, deterioration in the euro area). New export orders from Taiwan, on the other hand, remain on a downward trajectory, falling 10% year-on-year in February.

Global exports in volume terms rebounded by 1.8% m/m in January, according to the CPB report . However, exports have been plateauing for almost two years and remained below the peak reached in March 2023 in January 2024. January's increase was mainly driven by China, which posted export growth of 7.4% m/m – the strongest increase in nine months – and to a lesser extent emerging Asia (+3.7% m/m), the euro area (+1.4% m/m) and Latin America (+1.3% m/m). However, exports from the United States and Japan declined by 0.7% m/m and 4.7% m/m, respectively.

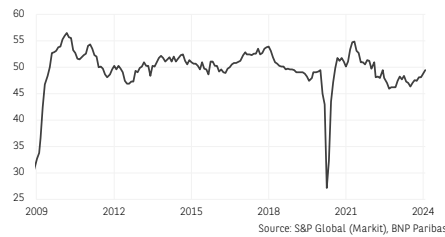
Guillaume Derrien

INDICATORS OF INTERNATIONAL TRADE

1. Taiwan new export orders (USD billion, seasonally-adjusted data)



2. Global manufacturing PMI, New export orders



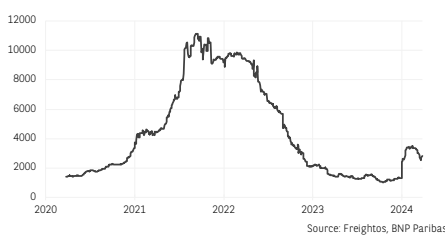
3. Global supply-chain pressures index



4. Baltic Exchange Dry Index



5. Freight rate index



6. Global manufacturing PMI, Delivery times (Inverted line)

