The Middle East and Europe were tied at 13 percent for the slowest rate of expansion of imports in 2010. For the Middle East, the situation was similar to Africa where exports grew at a far greater pace than imports. For Europe, however, the economic malaise affecting domestic demand on the continent also curtailed imports, considering that an intra-EU export is also an intra-EU import. As with exports, France recorded the slowest pace of imports, at only 8 percent.

Trade volumes (real trade)

The volume of world trade (i.e., trade in real terms, adjusted for changes in prices and exchange rates) surged 14.5 percent in 2010. This was the fastest rate of growth in world exports on record since 1950. The rebound was strong enough for world exports to recover their peak level of 2008.

At the same time, measured world imports grew 13.5 percent last year. In principle, world exports and imports should increase at roughly the same rate, but some discrepancies exist due to differences in data recording across countries. According to the WTO, world trade as measured by exports grew four times as fast as global GDP in 2010, whereas trade normally grows about twice as fast as GDP.

The uneven recovery in output[3] produced an equally uneven recovery in global trade flows in 2010. Merchandise exports from developed economies rose 12.9 percent in volume terms, while those from developing economies and the CIS jumped 16.7 percent. Moreover, imports into developed economies grew more slowly than exports last year (10.7 percent compared to 12.9 percent) while the situation was reversed for developing economies and the CIS (17.9 percent growth in imports compared to 16.7 percent for exports).

Only in Asia and North America did export volumes grow faster than the world average (15.0 percent and 23.1 percent, respectively), whereas slower than average growth was recorded in South and Central America (6.2 percent), Europe (10.8 percent), the CIS (10.1 percent), Africa (6.5 percent) and the Middle East (9.5 percent).

Among countries for which data are available, the five economies with the fastest-growing merchandise exports in volume terms were Jordan (30 percent), China (28 percent), Japan (27 percent), the Philippines (27 percent), and Chinese Taipei (27 percent).

On the import side, faster than average growth was observed in North America (15.7 percent), South and Central America (22.7 percent), the CIS (20.6 percent) and Asia (17.6 percent), while slower growth was reported in Europe (9.4 percent), Africa (7.1 percent) and the Middle East (7.5 percent).

The BRIC countries of Brazil, Russia, India and China all reported very rapid import growth in 2010: 43 percent for Brazil; 39 percent for China; 30 percent for Russia; and 25 percent for India.

Prices and exchange rates

A firming in the global economic recovery and buoyant emerging markets fuelled demand for commodities in 2010. As a result, commodity markets turned in a strong performance last year, with prices gaining on average some 25 percent in U.S. dollar terms, the largest annual advance since 2005.[4] All major commodity sectors recorded price increases in U.S. dollars in the range of 22 to 27 percent, with the exception

3 See *Canada's 2011 State of Trade*, Chapter 1.

4 "Commodity Price Rally Still Has Some Gas In The Tank," Commodity Price Forecast Update, TD Economics, January 14, 2011.