Goods Trade Barometer

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About Goods Trade Barometer:

- It was formerly known as the **World Trade Outlook Indicator.**
- It is developed by the **World Trade Organization and** provides “real-time” information on trends in world trade.
- It is a leading indicator that signals changes in world trade growth two to three months ahead of merchandise trade volume statistics.
- It combines a variety of trade-related component indices into a single composite index that highlights turning points in world merchandise trade and provides an indication of its likely trajectory in the near future.
- A reading of **100 indicates trade expansion** in line with recent trends. Readings **greater than 100** suggest **above-trend growth** while readings below 100 indicate below-trend growth.
- This Barometer is **updated** on a **quarterly basis.**
- **Current Trend**
  - The current value of the WTO Goods Trade Barometer, an early indicator of the trajectory of merchandise trade volume, stands at 103—above both the quarterly trade volume index and the baseline value of 100.
  - This suggests that merchandise trade has been picking up in the third quarter of 2024.

Q1: What is the World Trade Organisation (WTO)?

It was established in 1995 under the Marrakesh Treaty (1994) with the aim of promoting free and fair trade among its member countries. However, in recent years, the organization has come under scrutiny for its perceived failure to address escalating trade tensions between nations.

Source: WTO goods trade barometer signals upturn in world trade, but uncertainty remains

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