

Trade Index & Terms of Trade in 2Q 05

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<Summary>

I. Export & Import Unit Values

- While the unit value of exports remained at the same level as the previous period in the second quarter of 2005, that of imports rose.
 - o Despite the rising export unit values of petroleum and steel products, the downturn in those of chemicals, electric · electronic products and passenger cars kept overall export unit values at the same level as in the previous period.
 - o Import unit values of capital and consumer goods fell, but the increase in those of raw materials including crude oil, iron & steel and non-ferrous metal products drove up overall import unit values by 2.7%.

(2000=100)

	2004					2005p	
		1/4	2/4	3/4	4/4	1/4	2/4
Export Unit Value Index	91.5 (7.5)	90.3 (4.0)	91.7 (1.6)	91.9 (0.2)	92.4 (0.5)	93.0 (0.6)	93.0 (0.0)
Import Unit Value Index	107.3 (12.2)	101.8 (5.2)	106.2 (4.3)	109.5 (3.1)	111.9 (2.2)	113.7 (1.6)	116.8 (2.7)

Note: Figures in () indicate +/- (%) compared to the previous period.

II. Export & Import Volumes

- Both export and import volumes increased year-on-year in the second quarter of 2005. The volume of exports grew more than that of imports.
 - o The volume of light industry product exports decreased. But the increasing volume of petroleum products and heavy industry products such as machinery, precision equipments and passenger cars drove up the overall export volume in the second period by 6.2% compared to the same period the previous year.
 - o The import volume increased 4.7% year-on-year as the volume of capital good imports such as machinery, precision equipment and electric ·

electronic machines grew substantially and that of raw materials rose slightly offsetting the effect of a decrease in the import volume of consumption goods.

(2000=100)

	2004					2005p	
		1/4	2/4	3/4	4/4	1/4r	2/4
Export Volume Index	163.4 <22.5>	153.2 <31.2>	164.0 <29.5>	159.7 <20.6>	176.1 <11.7>	165.5 <8.0>	174.2 <6.2>
Import Volume Index	131.8 <12.0>	131.0 <14.8>	130.9 <16.9>	125.8 <9.2>	139.0 <7.1>	134.4 <2.6>	137.1 <4.7>

Note : Figures in < > indicate +/- (%) year-on-year.

III. Terms of Trade

- The net barter terms of trade index* in the second quarter 2005 fell 2.7% from the previous period.

* Import volume per export unit value, (Export unit value index ÷ import unit value index) × 100

- o This is because the unit value of exports remained at the same level whereas that of imports rose by 2.7% due to the rising prices of raw material including crude oil.

- The income terms of trade index* decreased 2.0% year-on-year.

* The volume that can be imported for a total export value (Terms of trade index × Export volume index) ÷ 100

- o Although the export volume rose (6.2%), the terms of trade index dropped even by an even greater margin (7.8%).

(2000=100)

	2004					2005p	
		1/4	2/4	3/4	4/4	1/4r	2/4
Terms of trade	85.3 (-4.2) <-4.2>	88.7 (-1.1) <2.0>	86.3 (-2.7) <-3.6>	83.9 (-2.8) <-7.2>	82.6 (-1.5) <-7.9>	81.8 (-1.0) <-7.8>	79.6 (-2.7) <-7.8>
Income terms of trade	139.4 <17.4>	135.9 <33.8>	141.5 <24.9>	134.0 <11.9>	145.5 <2.9>	135.4 <-0.4>	138.7 <-2.0>

Note : Figures in () indicate +/- compared to the previous period, Figures in < > indicate +/- (%) year-on-year