Changing International Trade Patterns and Export Opportunities to New Global Markets

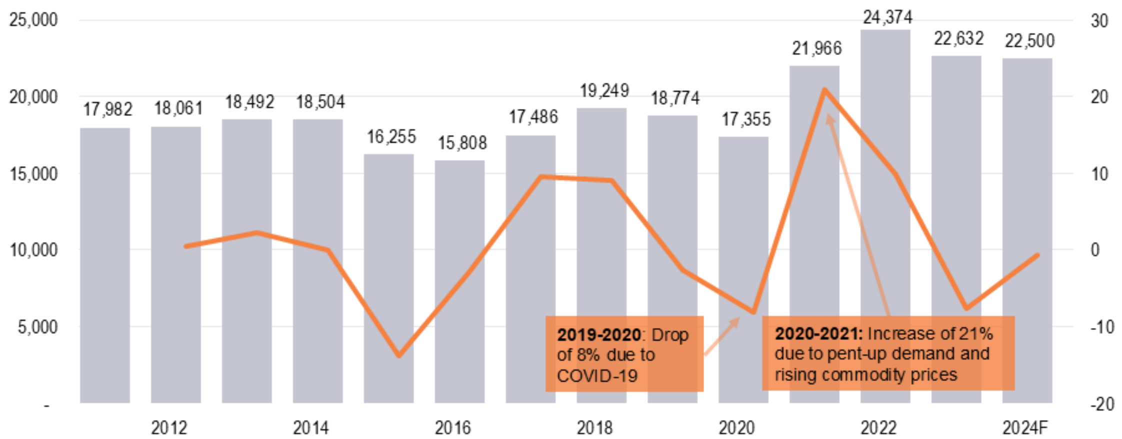
The global trade environment is evolving at an unprecedented pace as developing and emerging markets rise, traditional powerhouses adapt and new trading relationships reshape the economic landscape. Astute export managers must identify and manage a host of new opportunities.

Highlights:

- The world's imported goods were worth an estimated USD 22.5 trillion in 2024, which is very close to the previous year's level.
- The top 20 importers in 2023 accounted for almost three-quarters of global imports, indicating the concentration of global trade in a few major economies.
- 70% of total imports consisted of Machinery, Electronics & Metals (37%), Minerals, Fuels & Chemicals (24%) and Transport Vehicles (9%).
- Vietnam's imports grew by 10% from 2013 to 2023, and the country climbed ten places in global import rankings to 22nd. Other prominent climbers were India (eleventh to seventh) and the Philippines (47th to 35th).
- South Africa had the steepest drop in import rankings (33d to 40th). Russia and Brazil each dropped five places to 23rd and 27th, respectively.
- The "China +1" strategy and regional agreements like RCEP and USMCA are driving trade diversification, benefiting emerging economies like Vietnam and India while reducing dependence on China.

The world imported goods worth an estimated USD 22.5 trillion in 2024, a slight decrease of 0.6% year-on-year. Global imports in 2023 declined by 7.7% from 2022, when imports reached a record high of USD 24.4 trillion. From 2013 to 2023, imports grew by a moderate compound annual growth rate (CAGR) of 2%.

Global Merchandise Imports, USD bn, and Annual Growth Rate, % RHS (2013-2024F)



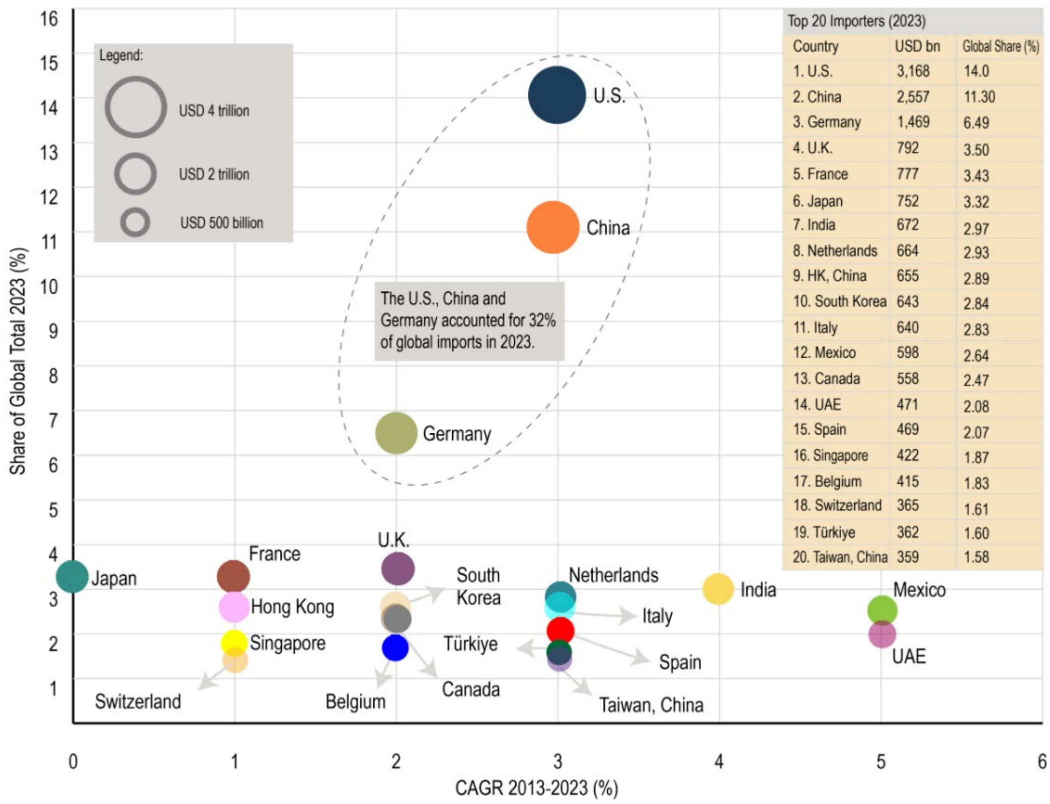
Source: UN Comtrade, ANDAMAN PARTNERS Analysis

Import rankings

The top 20 importing countries accounted for 74% of total imports in 2023. This underscores the challenges developing markets face in competing with established economies.

In 2023, the U.S., China and Germany maintained their positions as the top three importers, collectively accounting for 32% of global imports. This dominance is based on these countries' large industrial bases, robust technology sectors and consumption-driven economies.

Top 20 Global Importers by Market Share (2023) and Import Growth Rate (2013-2023)



Country	USD bn	Global Share (%)
1. U.S.	3,168	14.0
2. China	2,557	11.30
3. Germany	1,469	6.49
4. U.K.	792	3.50
5. France	777	3.43
6. Japan	752	3.32
7. India	672	2.97
8. Netherlands	664	2.93
9. HK, China	655	2.89
10. South Korea	643	2.84
11. Italy	640	2.83
12. Mexico	598	2.64
13. Canada	558	2.47
14. UAE	471	2.08
15. Spain	469	2.07
16. Singapore	422	1.87
17. Belgium	415	1.83
18. Switzerland	365	1.61
19. Türkiye	362	1.60
20. Taiwan, China	359	1.58

Source: UN Comtrade; Various; ANDAMAN PARTNERS Analysis. Note: Russia 2022 and 2023 data from Central Bank of Russia; Saudi Arabia 2023 data from General Authority for Statistics, Saudi Arabia; Vietnam 2023 data from General Statistics Office of Vietnam.

However, emerging economies are rapidly gaining ground. Vietnam, for example, climbed an impressive ten places to 22nd in global import rankings from 2013 to 2023, with a CAGR of 10%. This is based on the country's role as a manufacturing hub, the growth of export-focused industries such as electronics and textiles, and strategic shifts like the "China +1" strategy, which encourages firms to diversify supply chains away from China.

The Philippines rose 12 places (47th to 35th) in global import rankings over this period, driven by the country's growing consumer goods and agricultural exports.

Other economies with rapidly increasing imports included India, Mexico, the UAE, Nigeria and Poland.

Poland and the UAE both rose five places to 21st and 14th, respectively. India advanced four places to seventh, supported by strategic trade networks, industrial growth and high demand for consumer and capital goods.

Mexico strengthened its trade ties with the U.S., particularly in transport equipment, and rose two places to 12th. Nigeria climbed seven places to 49th, driven by modernization and infrastructure investment.

Top 20 Global Importers (2003, 2013, 2023)

Rank (2003)		Rank (2013)		Rank (2023)		Imports USD bn (2023)	Global Share (2023)	CAGR (2013-2023)
1	U.S.	1	U.S.	1	U.S.	3,168	14.0%	3%
2	Germany	2	China	2	China	2,557	11.3%	3%
3	U.K.	3	Germany	3	Germany	1,469	6.5%	2%
4	China	4	Japan	4	U.K.	792	3.5%	2%
5	Japan	5	France	5	France	777	3.4%	1%
6	France	6	U.K.	6	Japan	752	3.3%	-1%
7	Italy	7	HK, China	7	India	672	3.0%	4%
8	Canada	8	South Korea	8	Netherlands	664	2.9%	3%
9	Belgium	9	Netherlands	9	HK, China	655	2.9%	1%
10	Netherlands	10	Italy	10	South Korea	643	2.8%	2%
11	HK, China	11	India	11	Italy	640	2.8%	3%
12	Spain	12	Canada	12	Mexico	598	2.6%	5%
13	South Korea	13	Singapore	13	Canada	558	2.5%	2%
14	Mexico	14	Mexico	14	UAE	471	2.1%	5%
15	Singapore	15	Spain	15	Spain	469	2.1%	3%
16	Switzerland	16	Belgium	16	Singapore	422	1.9%	1%
17	Taiwan, China	17	Switzerland	17	Belgium	415	1.8%	2%
18	Austria	18	Russian Fed.	18	Switzerland	365	1.6%	1%
19	Australia	19	UAE	19	Türkiye	362	1.6%	3%
20	Sweden	20	Türkiye	20	Taiwan, China	341	1.6%	3%
					Top 20 Total	**16,809**	**74.3%**	**2%**
					Rest of World	**5,823**	**25.7%**	**1%**
					World	**22,632**	**100%**	**2%**

Source: UN Comtrade, Various, ANDAMAN PARTNERS Analysis

South Africa's seven-place decline in import rankings to 40th highlights economic challenges. Geopolitical tensions pushed Russia down five places to 23rd, and Brazil's sluggish industrial performance contributed to its five-place drop to 27th.

Import dependency

The imports-to-GDP ratio illustrates an economy's dependence on foreign goods and services. Of the 20 largest importing countries, Hong Kong (China) consistently had the highest ratio in 2003 and 2023, increasing from 145% to 172%. Singapore had a ratio of 140% in 2003 but fell back to 84% in 2023.

Imports-to-GDP Ratio, % (2003 & 2023)

	Top 20 Importers (2023)	Imports-to-GDP ratio (2003)	Imports-to-GDP ratio (2023)
1	U.S.	11	11
2	China	25	14
3	Germany	24	32
4	U.K.	21	23
5	France	20	25
6	Japan	8	18
7	India	12	19
8	Netherlands	40	58
9	HK, China	145	172
10	South Korea	25	35
11	Italy	18	28
12	Mexico	22	33
13	Canada	27	26
14	UAE	42	92
15	Spain	23	29
16	Singapore	140	84
17	Belgium	74	66
18	Switzerland	31	41
19	Türkiye	22	32
20	Taiwan, China	40	47

Source: UN Comtrade, IMF World Economic Outlook (October 2024), ANDAMAN PARTNERS Analysis

Other countries with high imports-to-GDP ratios in 2023 were the UAE (92%), Belgium (66%), the Netherlands (58%), Taiwan, China (47%) and Switzerland (41%).

Countries with the lowest imports-to-GDP ratios were the U.S. (11%), China (14%), Japan (18%) and India (19%).

The U.S. ratio remained unchanged from 2003 to 2023, while China decreased from 25% to 14%. Canada, Singapore and Belgium also had decreasing ratios over this period.

Aside from Hong Kong (China), countries with notable increases in imports-to-GDP ratios over this period were the Netherlands, South Korea, Italy, Mexico, the UAE, Switzerland and Türkiye.

Import sectors

Global imports in 2023 were dominated by three sectors: Metals, Electronics & Machinery (38%); Minerals, Fuels & Chemicals (24%); and Transport Vehicles & Equipment (9%). These three sectors accounted for USD 16.1 trillion or 70% of the total, reflecting strong demand for infrastructure development, technology and consumer goods.

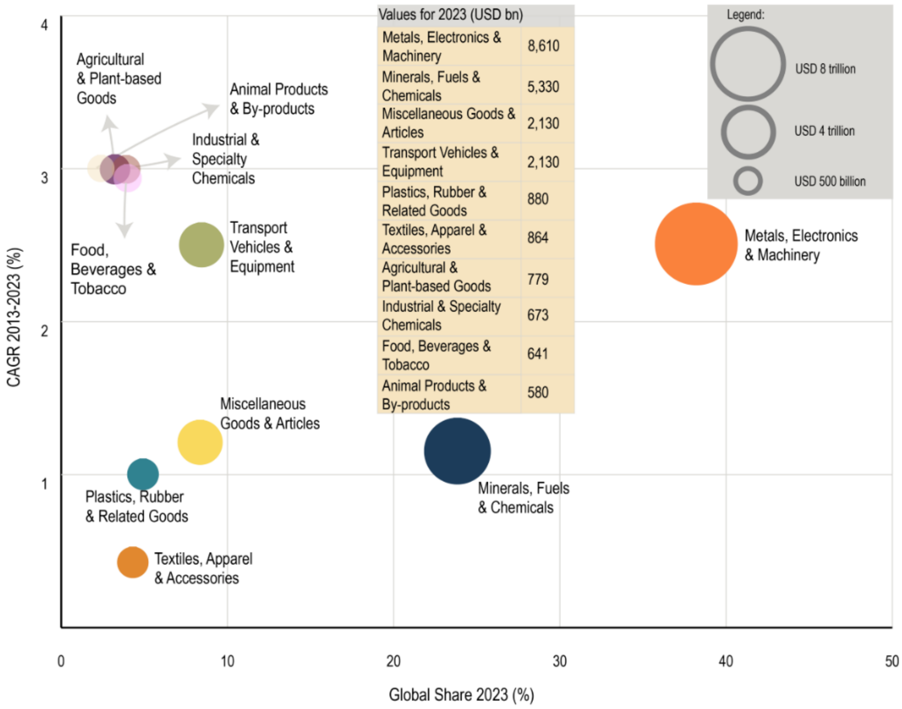
Consumer goods and intermediate products also saw rapid import growth, particularly in emerging economies across Asia and Africa, driven by rising per capita income and demand for integrated supply chains.

Metals, Electronics & Machinery grew at a CAGR of more than 2% from 2013 to 2023, while Minerals, Fuels & Chemicals grew at a slower CAGR of 1.2%.

Industrial & Specialty Chemicals grew at a CAGR of above 3%, driven by applications in manufacturing and high-tech industries. Transport Vehicles & Equipment imports amounted to USD 2.1 trillion in 2023, with a CAGR of 2.6% from 2013 to 2023, driven by demand for automobiles and heavy machinery.

Plastics, Rubber & Related Goods grew by a CAGR of 1%, reflecting lower demand for packaging and industrial plastics, while Textiles, Apparel & Accessories grew by less than 1%.

Global Imports by Sector: CAGR (2013-2023) and Global Share (2023)



Source: UN Comtrade; ANDAMAN PARTNERS Analysis. Size of bubble represents USD values for 2023.

Regarding country-specific import sectors for the top 30 importing economies, Metals, Electronics & Machinery is the leading category for China (40%), the U.S. (38%), Germany (38%) and most other economies. This category is especially prominent for Hong Kong, China (81%), Singapore (55%), Taiwan, China (54%), and the UAE (51%).

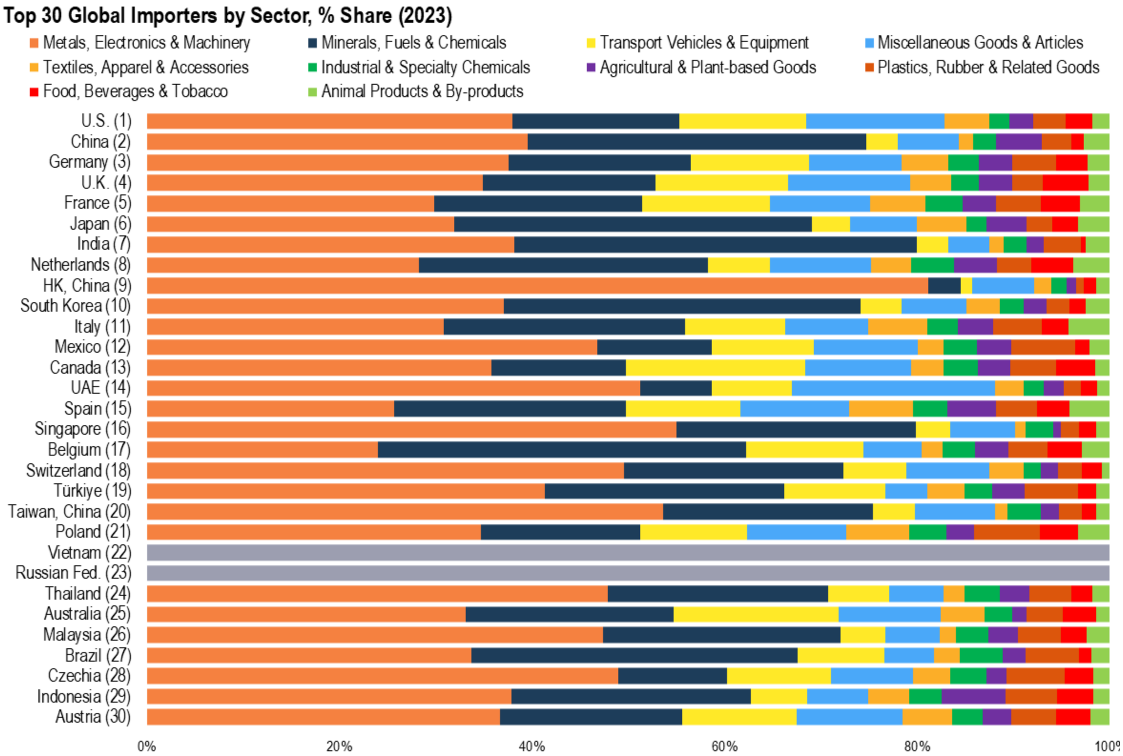
Minerals, Fuels & Chemicals is also prominent in China's imports (35%) as well as those of India (42%), Belgium (38%), Japan (37%), South Korea (37%) and Brazil (34%).

Canada (19%), Australia (17%) and the U.K. (14%) had the highest shares of Transport Vehicles & Equipment imports.

Poland (7%), Spain (7%) and Italy (6%) had the highest shares of Textiles, Apparel & Accessories imports.

Indonesia (7%) was the only country with a share of more than 5% for Agricultural & Plant-based Goods imports.

Poland (7%), Mexico (7%), Czechia (6%) and Brazil (6%) had the highest shares of Plastics, Rubber & Related Goods imports.



Source: UN Comtrade, ANDAMAN PARTNERS Analysis. Note: No sector-wise data available for Russia and Vietnam.

New opportunities and partnerships in a changing trade landscape

Regional trade patterns highlight interconnectedness and diversification. The U.S. relies heavily on machinery and electronics imports from Mexico, while Germany and Poland dominate the EU's industrial trade.

In Asia, China's demand for agricultural goods and metals imports supports its manufacturing and consumer-driven economy. The UAE has emerged as a destination for mineral and fuel imports, underlining its importance as a geographic and logistical hub.

The "China +1" strategy has spurred companies to diversify their sourcing and production bases, benefiting emerging markets such as Vietnam, India and other Southeast Asian countries. Regional partnerships like the Regional Comprehensive Economic Partnership (RCEP) in Asia and the U.S.-Mexico-Canada Agreement (USMCA) in North America are reshaping trade flows and reducing supply chain vulnerabilities.

The global trade environment is in flux, with new players emerging and traditional leaders adapting to evolving economic realities. Key sectors like machinery, electronics and transport equipment will continue to dominate imports, driven by industrial and consumer demand.

At the same time, the rise of emerging markets and regional partnerships presents businesses with opportunities to adapt to more diverse and interconnected global trade networks.

Investing in resilience, emerging markets and strategic partnerships will be crucial for companies to thrive in this dynamic landscape. The following are some of the current priorities for international export managers:

- **Leverage data, analytics and strategic intelligence for success:** Invest to ensure high-quality internal organizational and external market data for better decision support.

- **Anticipate general changes and trends in global markets as early as possible**, such as the decline in traditional markets and the emergence of demand growth in new markets. Act early and diversify export portfolios to adapt to changing conditions.

- **Develop team skills and human capital to flourish in a changing world** marked by increased risk, uncertainty, ambiguity and more open international supply chains. Adapt hiring and professional development to align with the new realities in global markets with multiple languages, cultures and time zones.

- **Develop organizational capabilities across the company** that better support international business, e.g., global risk management, international logistics management, a collaborative mindset, partnerships and flexible business models.

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