

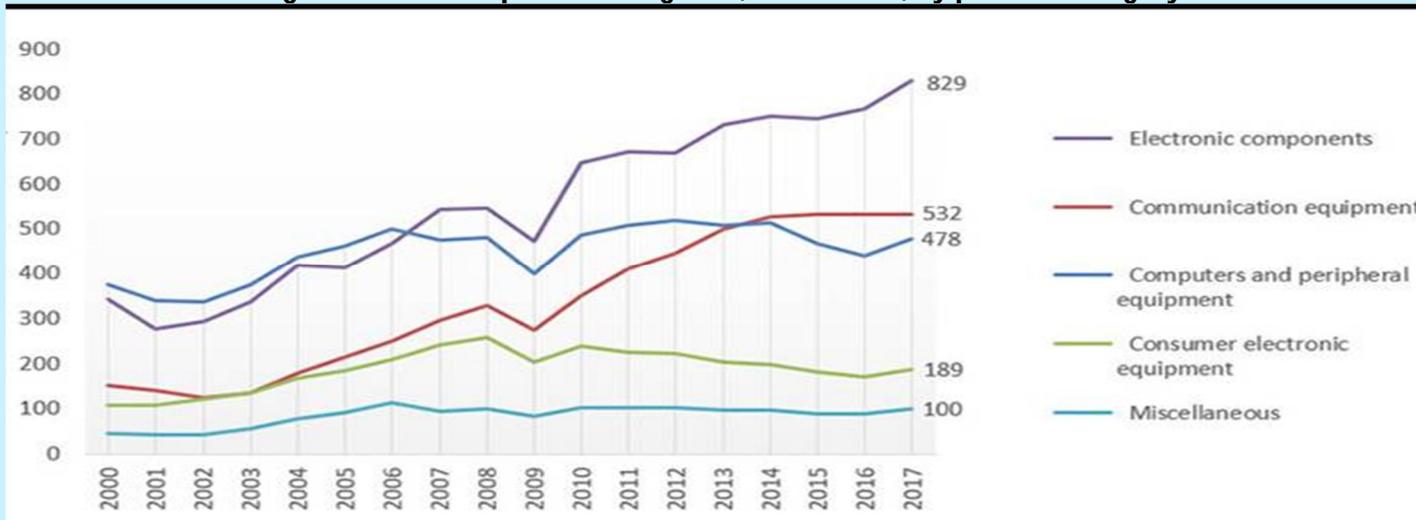
Trade in electronic components drives growth in technology goods: UNCTAD

According to new figures released by **United Nations Conference on Trade and Development (UNCTAD)**, demand for electronic components used in Internet-of-Things (IoT) devices drove the value of trade in international imports of information and communications technology (ICT) goods in 2017 to reach around USD 2 trillion.

As per UNCTAD, trade in ICT goods grew slightly faster than merchandise trade and represented 13% of the total in 2017, down from the 16% high during the dot-com boom in 2000 but the highest in two years. By comparison, in 2017 machinery and transport equipment accounted for 37% and food for 8% of merchandise imports.

Among ICT products, trade in electronic components continued to expand with an annual growth rate of 8%, a little less than that of computers and consumer electronics (9%) showing long-term, steady growth.

Figure I: Global imports of ICT goods, USD billion, by product category



Source: PHD Research Bureau, compiled from UNCTAD; Note: Values adjusted for re-imports and re-exports

Top 10 exporters and importers of ICT goods:

China is by far the largest exporter of ICT goods whereas the Republic of Korea boasted the highest growth rate among the top 10 exporters in 2017. Exports also grew significantly for all the other top ten exporters, except the US. Further, the market share of the top 10 exporters was about 86% in 2017.

Meanwhile, the US is the top importer followed closely by China and Hong Kong (China). Also, Mexico was the only economy among the top 10 where ICT goods imports did not grow in 2017.

The share of intra-industry trade remains high in the ICT sector, with interdependence between the big Asian, North American and European players. The top importers also typically feature among the top exporters of ICT goods.

Figure II: Top 10 importers and exporters of ICT goods, USD million, 2017 and annual growth rate (2016-2017)

Top 10 exporters			Top 10 importers				
	2017	2016-2017		2017	2016-2017		
1	China	612663	10%	1	United States of America	343650	9%
2	Korea, Republic of	141925	29%	2	China	329849	11%
3	China, Taiwan Province of	139206	15%	3	China, Hong Kong SAR	305615	11%
4	Singapore	119520	8%	4	Germany	102495	15%
5	Germany	71682	15%	5	Singapore	91366	11%
6	United States of America	68577	0%	6	Japan	87355	11%
7	Malaysia	67094	16%	7	Korea, Republic of	71861	13%
8	Mexico	65955	9%	8	China, Taiwan Province of	63923	18%
9	Japan	58298	9%	9	Mexico	63530	-1%
10	Netherlands	55578	10%	10	Netherlands	62973	16%
	World	1632204	4%		World	2126905	6%

Source: PHD Research Bureau, compiled from UNCTAD

Region wise Export and import of ICT goods:

ICT goods imports to developed economies showed 10% annual growth while ICT goods imports to economies in transition in South East Europe, the Commonwealth of Independent States grew by 29%. This growth is significantly more than in developing economies which is 3% while in the 47 Least Developed Countries (LDCs) the growth is (-)30%. In 2017, Eastern Asia accentuated its role as the leading export hub, while Africa, Southern and Western Asia saw significant declines.

Figure III: Imports of ICT goods by region, USD million, 2017, annual growth rate (2016-2017)

Grouping/ Region	2017		Change 2016-2017	
	Exports	Imports	Exports	Imports
Developed economies	443564	950602	7%	10%
Transition economies	3019	29174	28%	29%
Developing economies	1185622	1147128	3%	3%
Africa	2695	17660	-13%	-12%
Latin America and the Caribbean	67465	105109	7%	3%
Asia and Oceania	1115461	1024358	3%	3%
Eastern Asia	894119	771447	14%	12%
Southern Asia	2615	47378	3%	27%
South-Eastern Asia	216337	172585	-25%	-22%
Western Asia	2388	32787	-12%	-26%
LDCs	79	3124	-89%	-30%

Source: PHD Research Bureau, compiled from UNCTAD; Note: Values adjusted for re-imports and re-exports

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