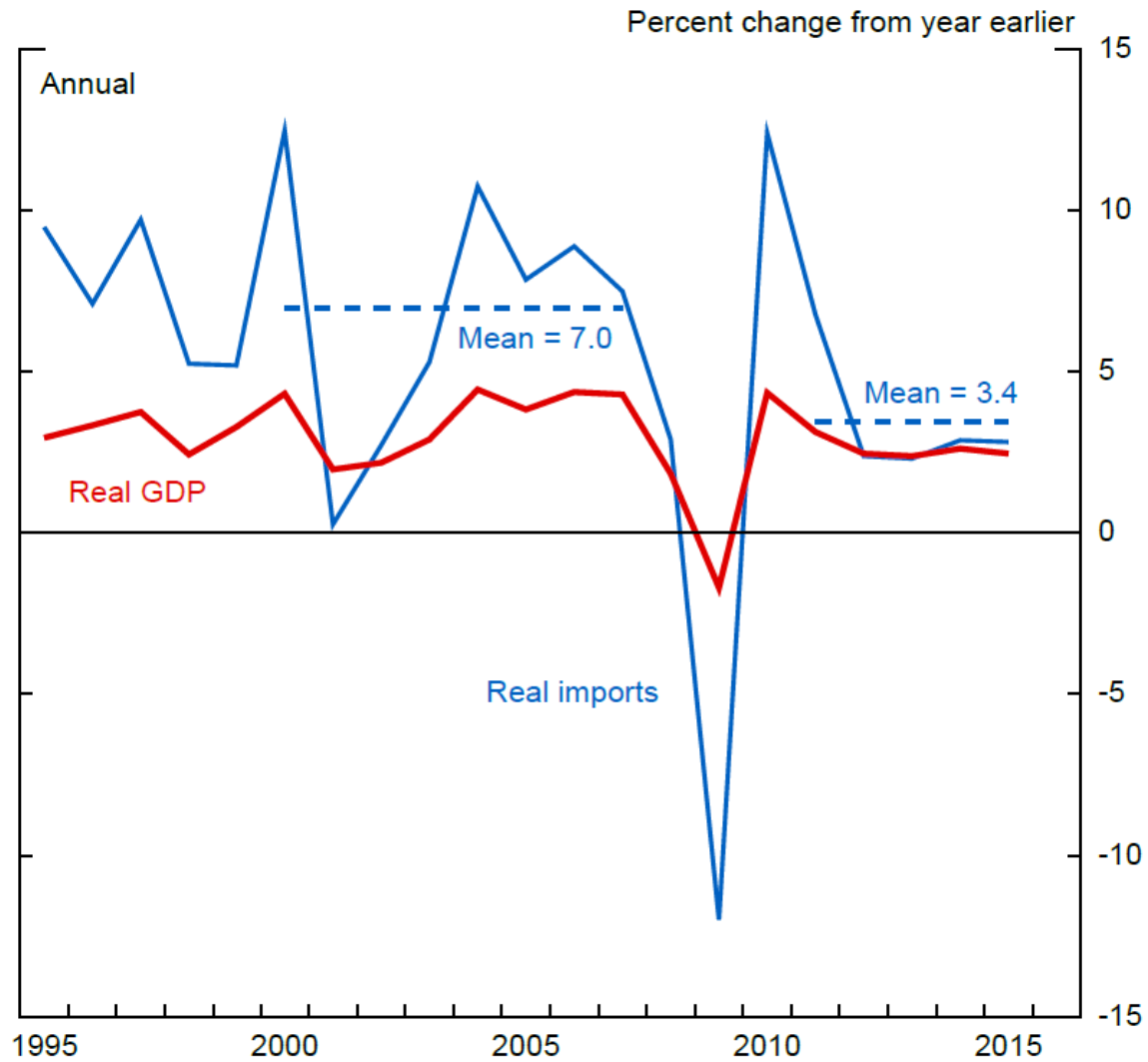




Slide 1

World Trade and Growth



Note: GDP is gross domestic product.

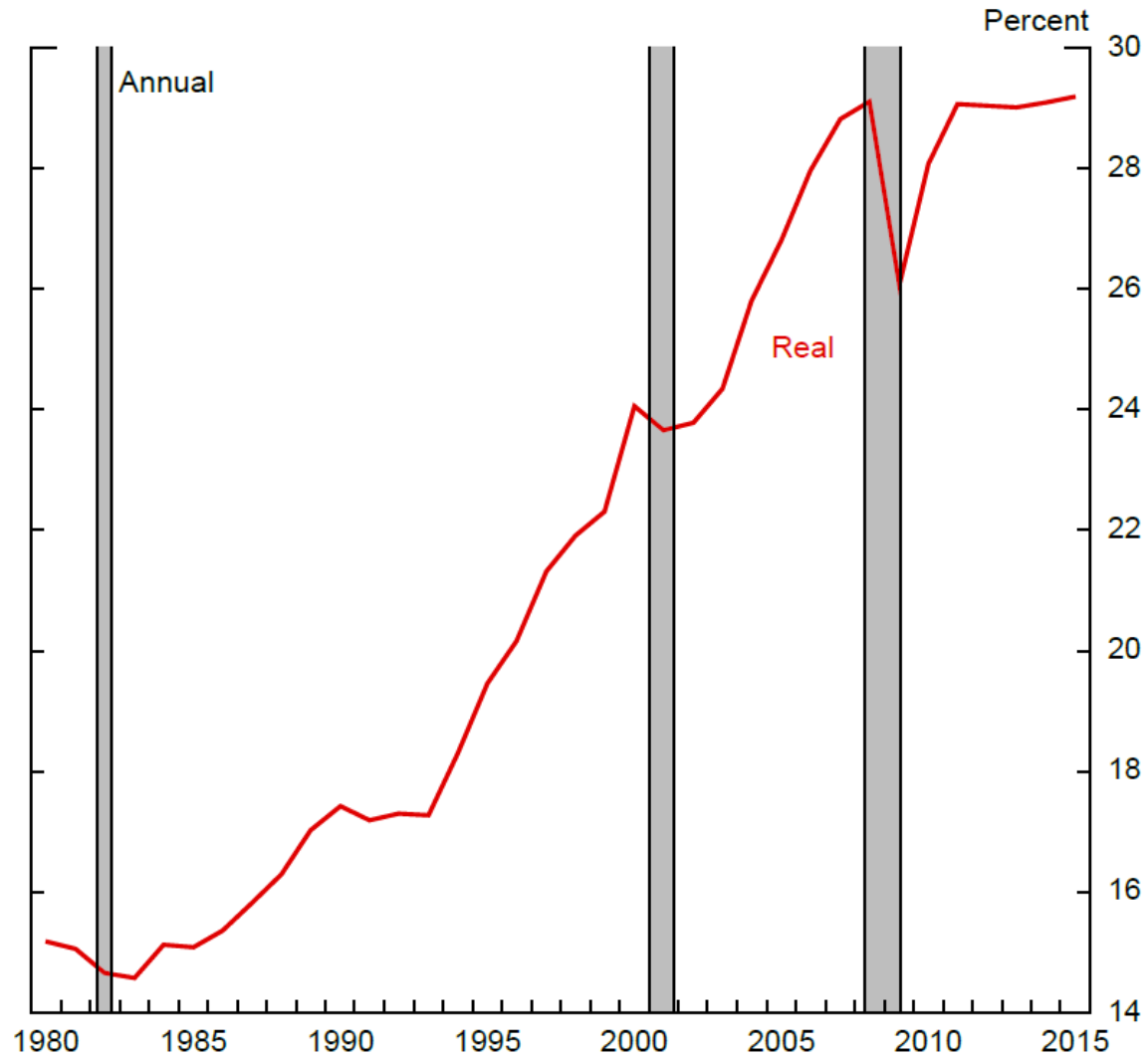
Source: The World Bank, *World Development Indicators*, accessed in 2016,

<http://databank.worldbank.org/data/reports.aspx?source=world-development-indicators>.



Slide 2

World Trade as a Share of GDP



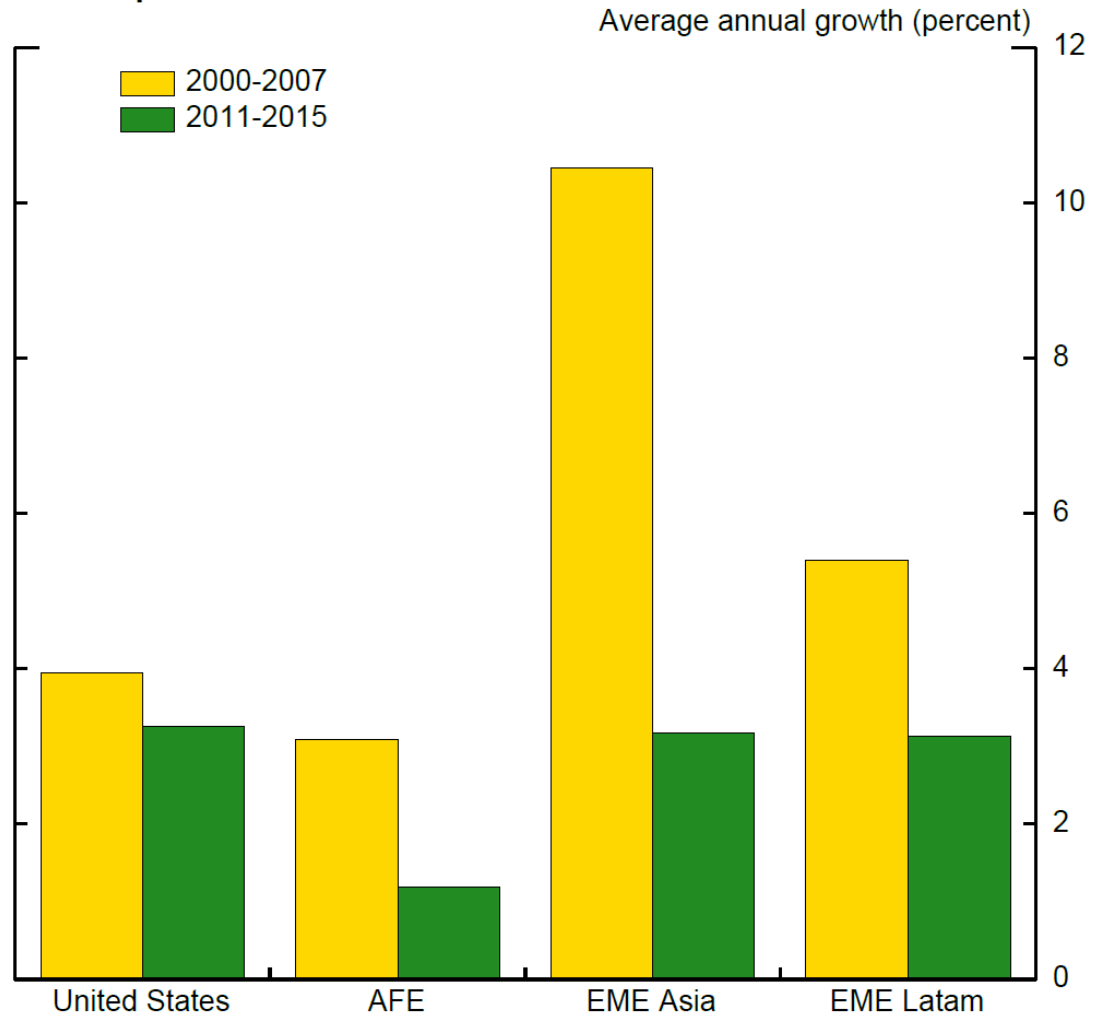
Note: GDP is gross domestic product. Shaded bars represent FRB-defined global recessions: 55% of world GDP in recession.

Source: The World Bank, *World Development Indicators*, accessed in 2016,
<http://databank.worldbank.org/data/reports.aspx?source=world-development-indicators>.



Slide 3

Real Import Growth



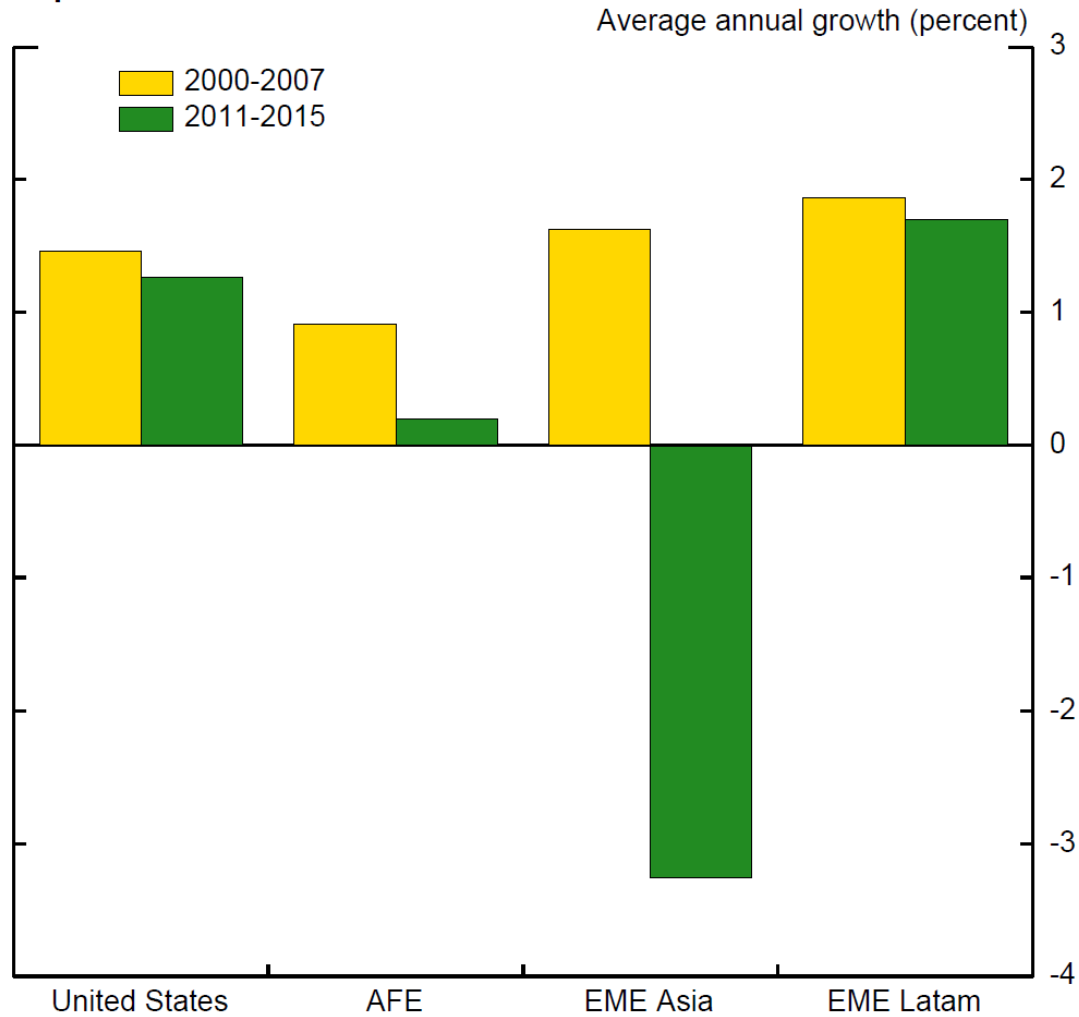
Note: Colors in key correspond with each bar segment, in order from left to right. AFE is advanced foreign economies. EME is emerging market economies. EME Asia includes China, Hong Kong, Indonesia, Malaysia, Philippines, Singapore, South Korea, Taiwan, and Thailand. EME Latam includes Argentina, Brazil, Chile, Colombia, Mexico, and Venezuela.

Source: FRB staff calculations; Netherlands Bureau of Policy Analysis, World Trade Monitor, accessed in 2016, <http://www.cpb.nl/en/data>.



Slide 4

Import and Real GDP Growth Differential

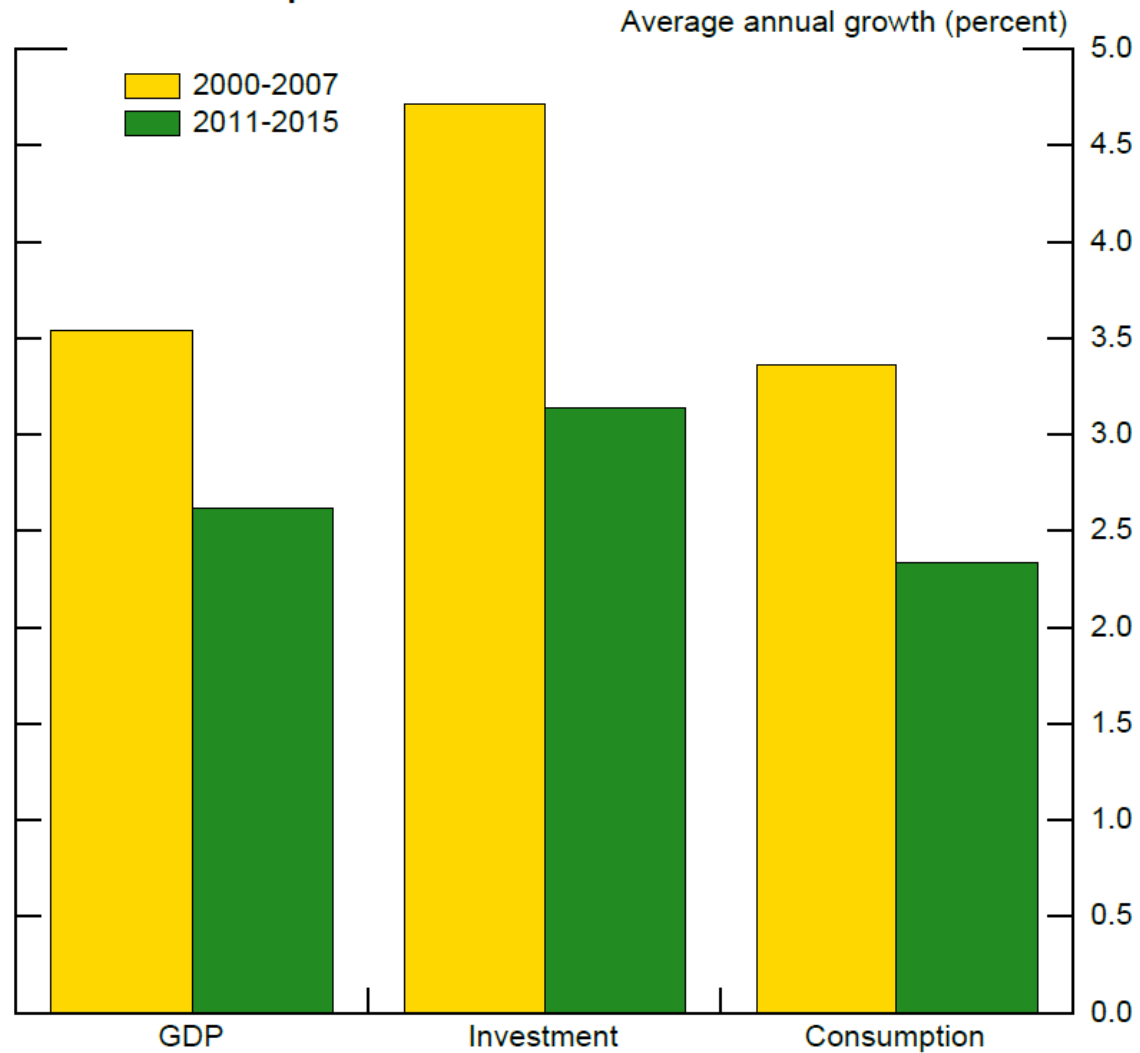


Note: Colors in key correspond with each bar segment, in order from left to right. GDP is gross domestic product. AFE is advanced foreign economies. EME is emerging market economies. EME Asia includes China, Hong Kong, Indonesia, Malaysia, Philippines, Singapore, South Korea, Taiwan, and Thailand. EME Latam includes Argentina, Brazil, Chile, Colombia, Mexico, and Venezuela. Source: FRB staff calculations; Netherlands Bureau of Policy Analysis, World Trade Monitor, accessed in 2016, <http://www.cpb.nl/en/data>.



Slide 5

World GDP Components



Note: Colors in key correspond with each bar segment, in order from left to right. GDP is gross domestic product.

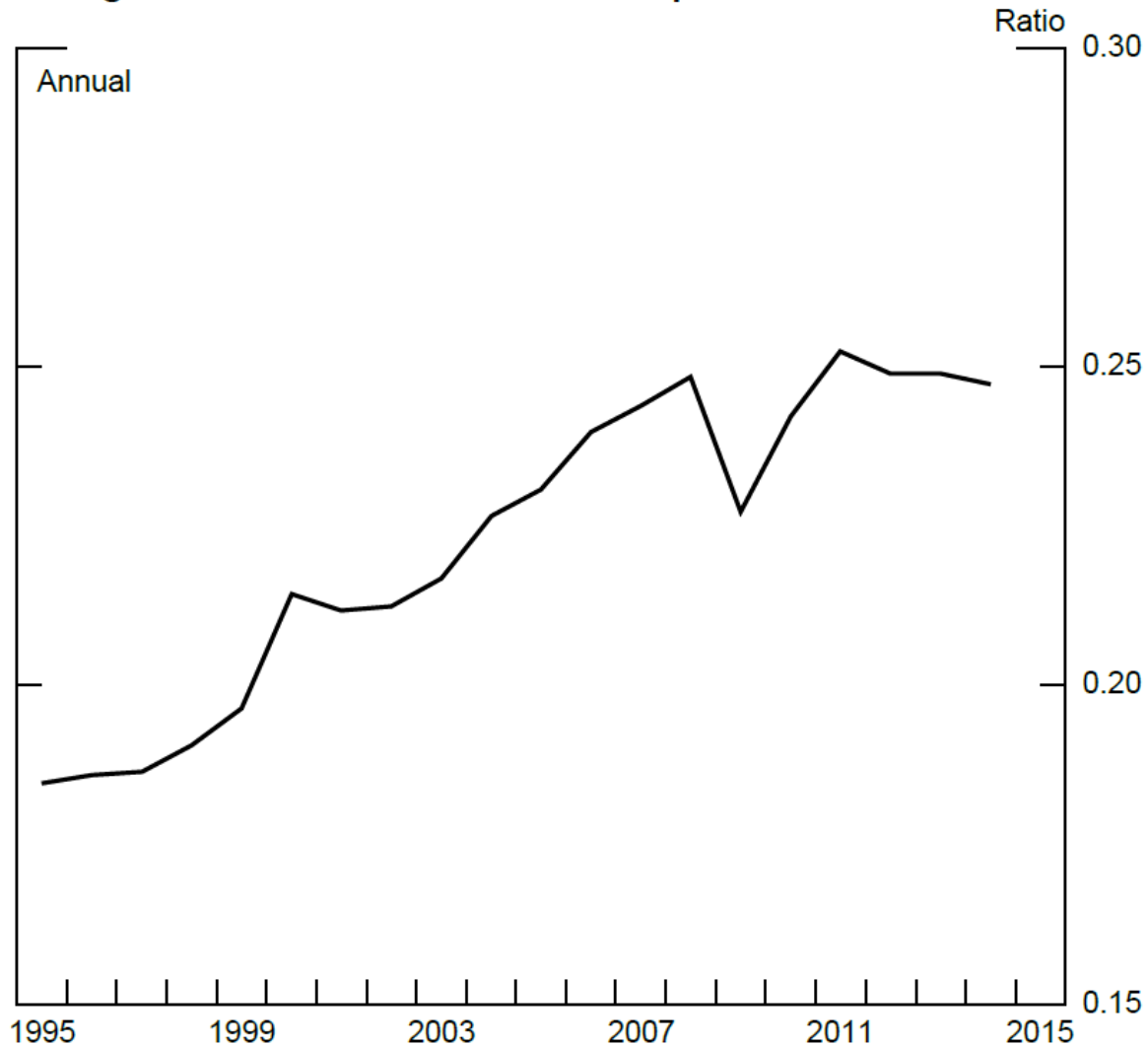
Source: The World Bank, World Development Indicators, accessed in 2016,

<http://databank.worldbank.org/data/reports.aspx?source=world-development-indicators>



Slide 6

Foreign Value Added in World Gross Exports

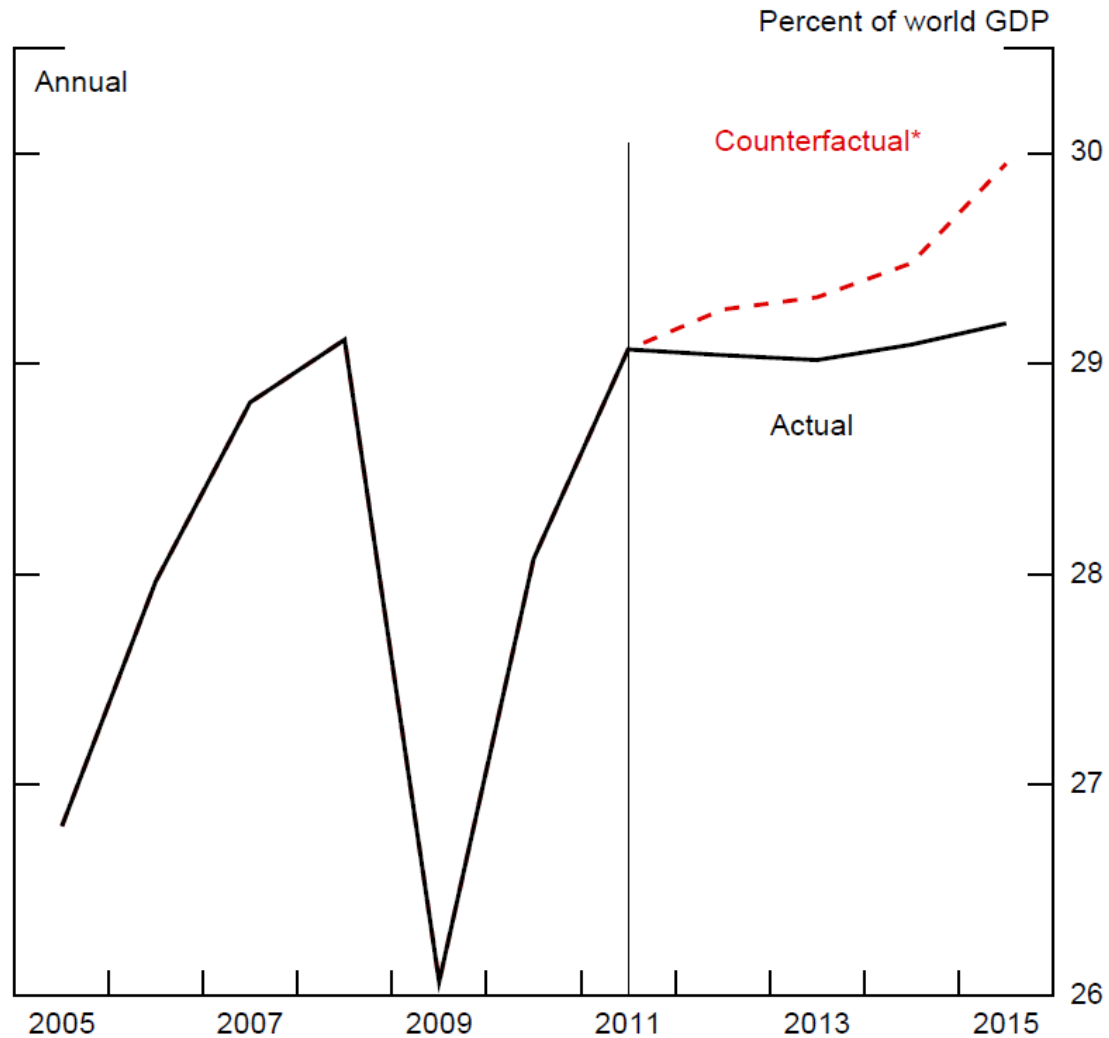


Source: FRB staff estimates based on data from World Input-Output Database, 2016 and for pre-2000, data from World Input-Output Database, 2013. Coverage of countries and industries differs slightly for pre-2000 period; <http://www.wiod.org/home>.



Slide 7

World Real Trade



* Keeping China's exports and imports constant as a share of GDP from 2011, the vertical line.

Note: World imports used. GDP is gross domestic product.

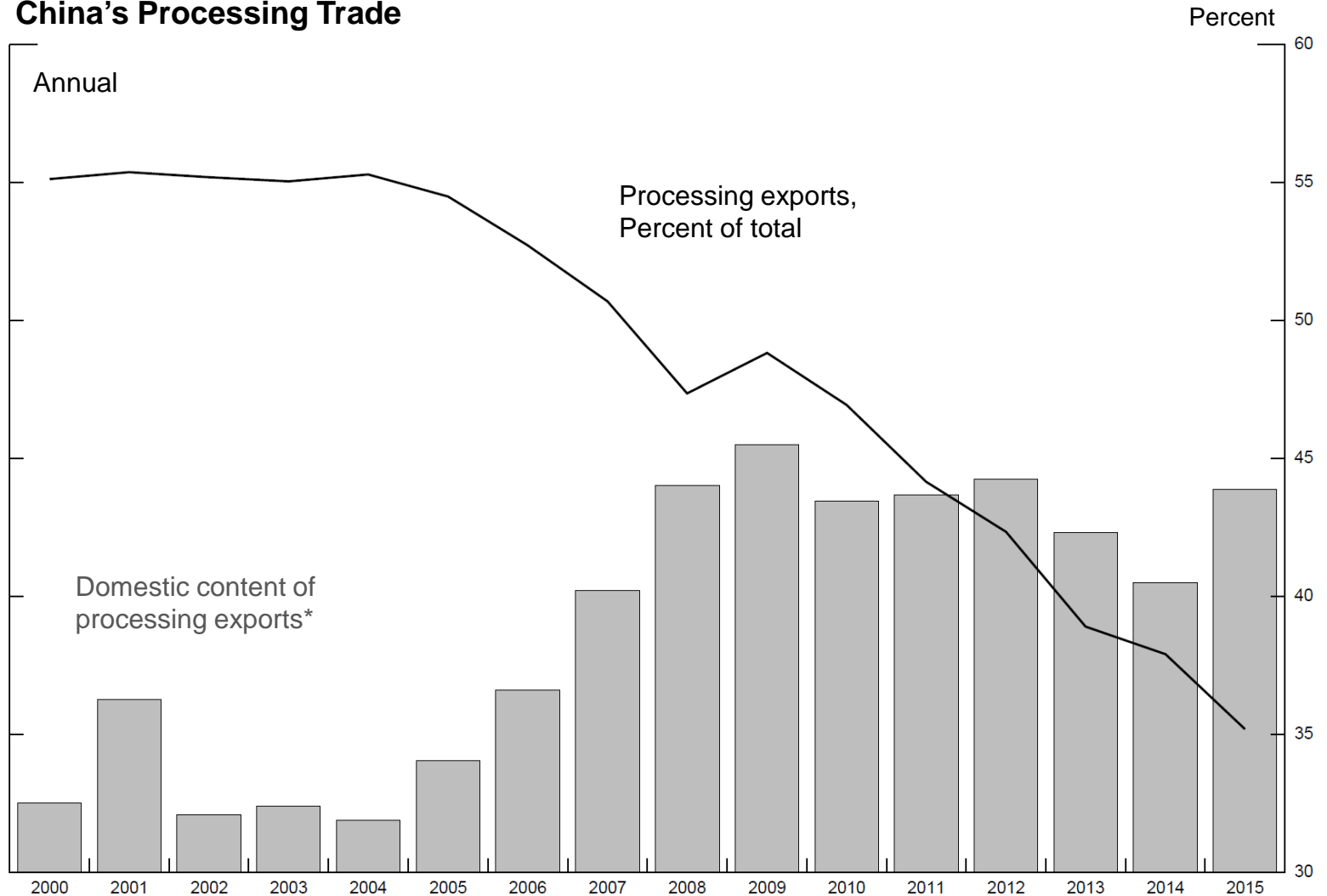
Source: FRB staff estimates based on data from the World Bank. The World Bank, World Development Indicators, accessed in 2016,

<http://databank.worldbank.org/data/reports.aspx?source=world-development-indicators>.



Slide 8

China's Processing Trade



* Processing exports less processing imports, expressed as a percent of processing exports.

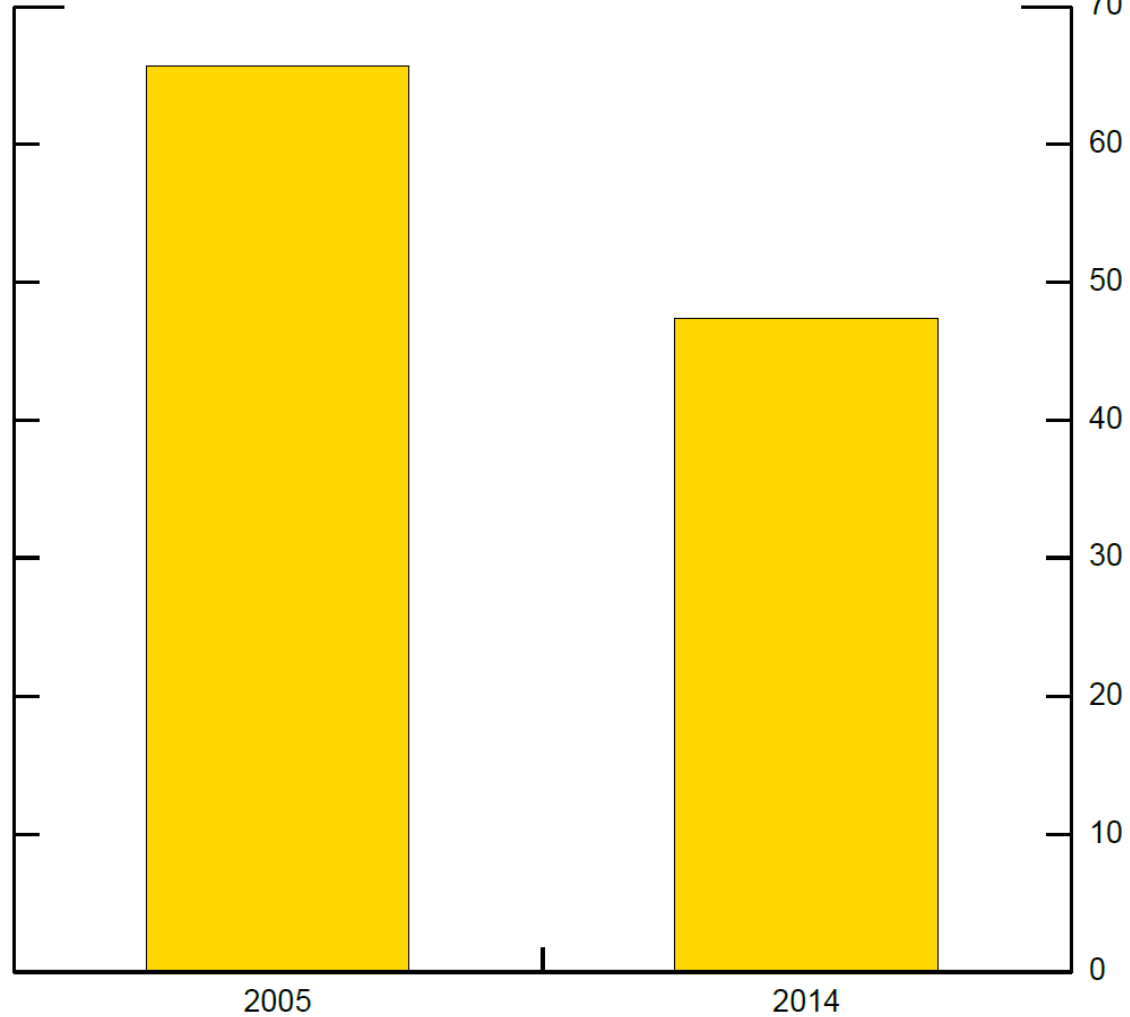
Source: Haver Analytics; FRB staff estimates.



Slide 9

China: Imports of Parts and Components

Percent of total manufactured imports



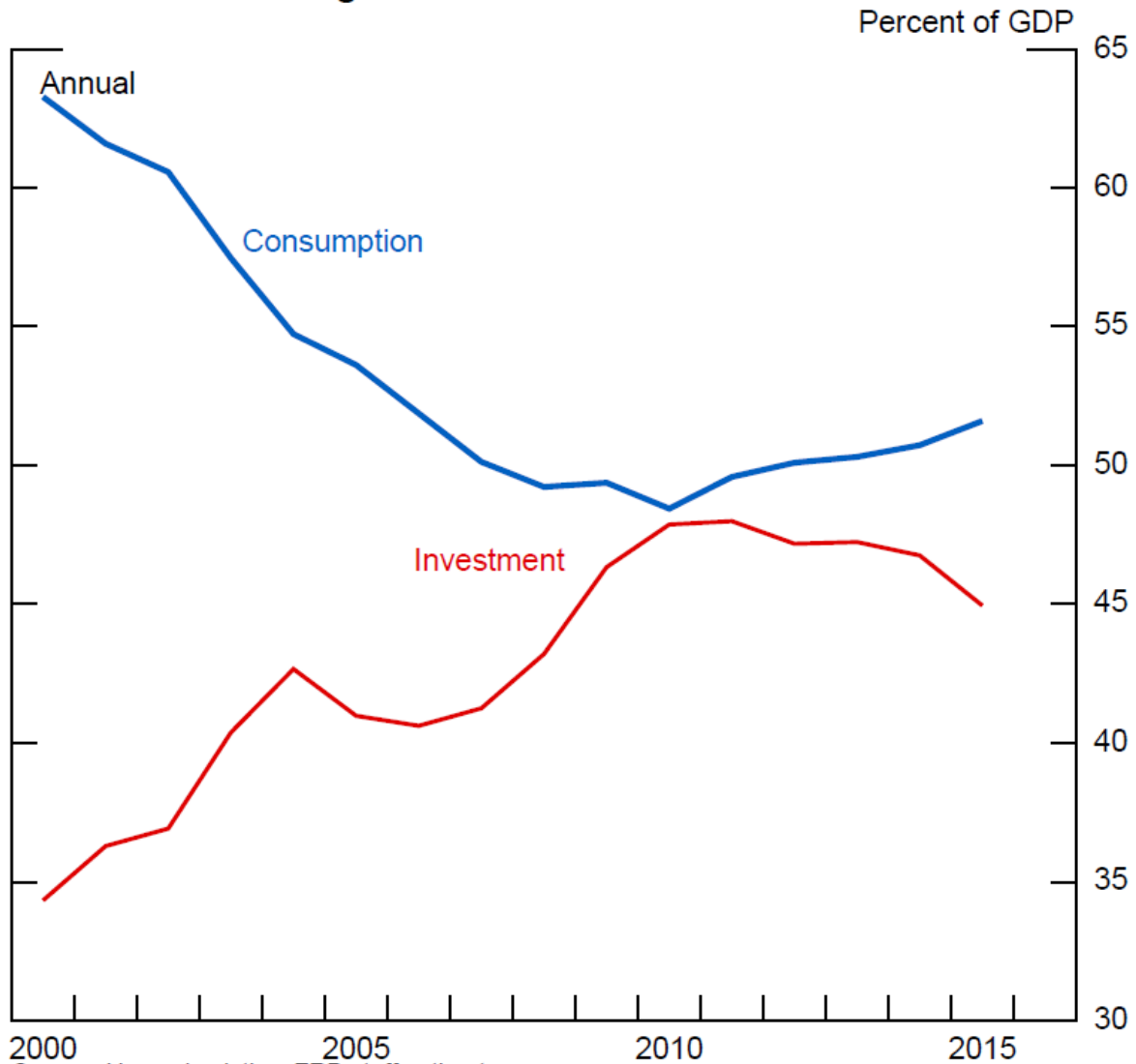
Note: China includes Hong Kong.

Source: FRB staff estimates based on Commodity Trade Statistics database (Comtrade), updated using the methodology of Haltmaier et. al (2007). United Nations, Comtrade, Department of Economic and Social Affairs / Statistics Division, <http://comtrade.un.org/db/>.



Slide 10

China's Rebalancing: Demand

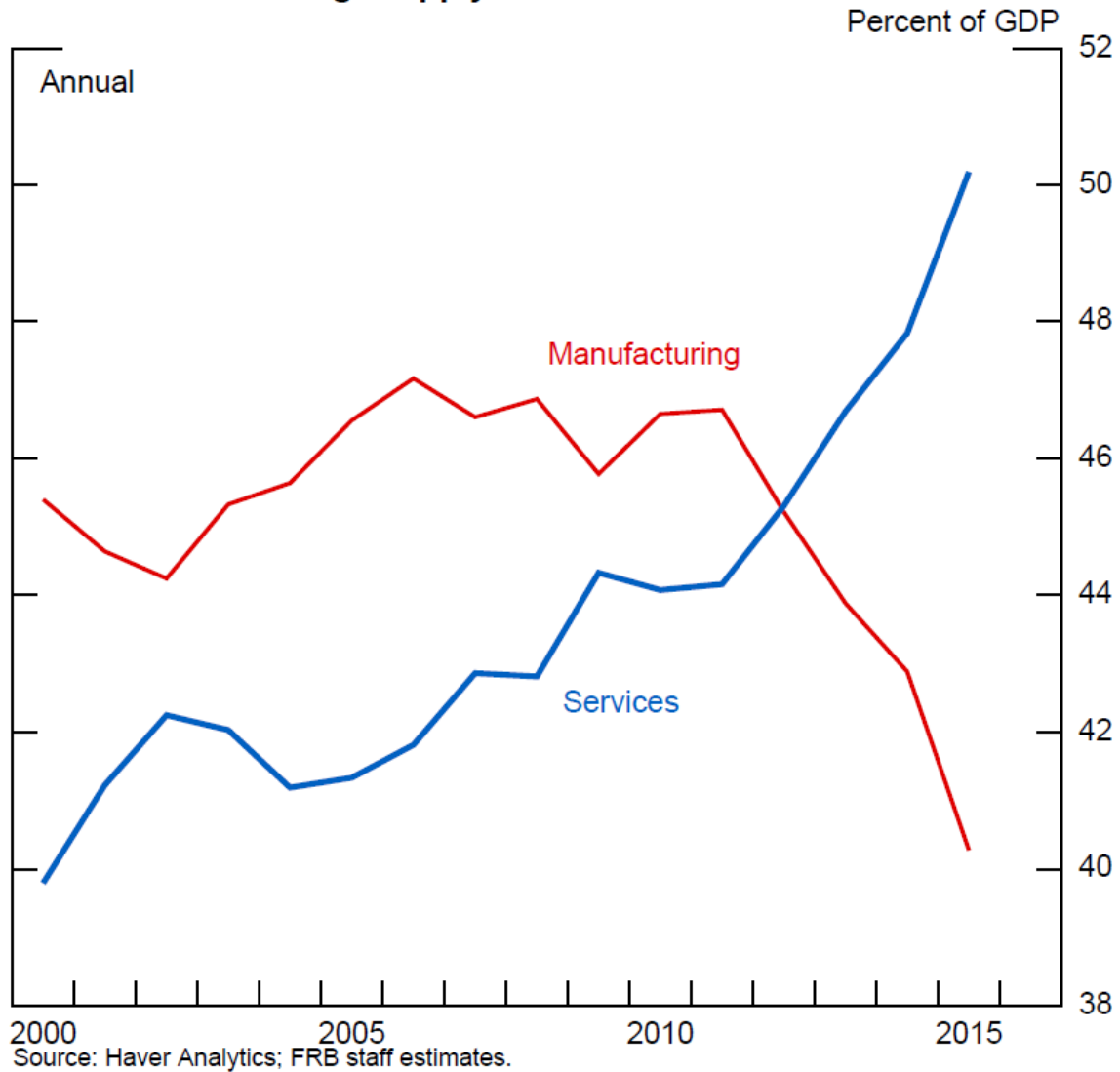


Source: Haver Analytics; FRB staff estimates.



Slide 11

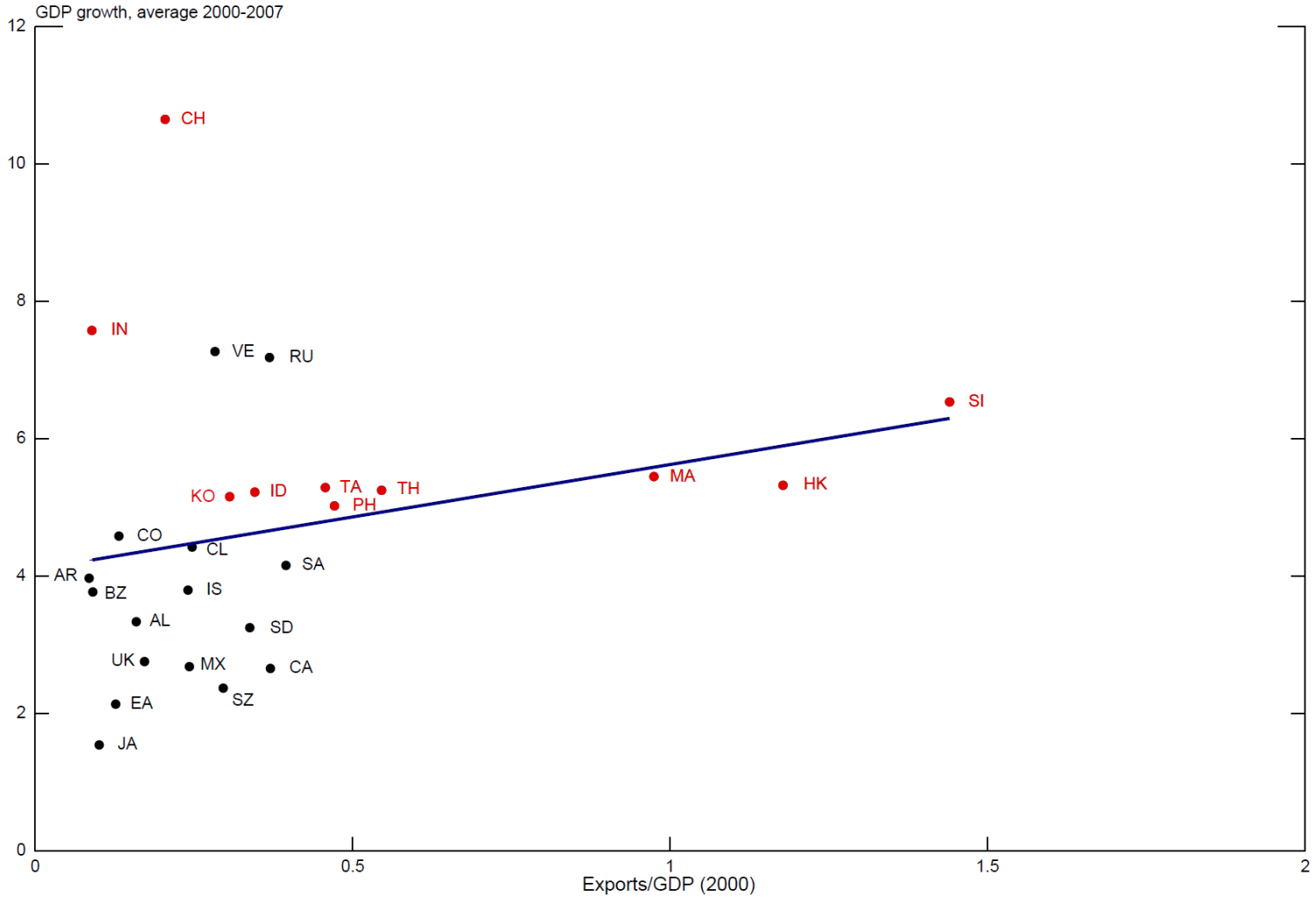
China's Rebalancing: Supply





Slide 12

Growth and Export Orientation



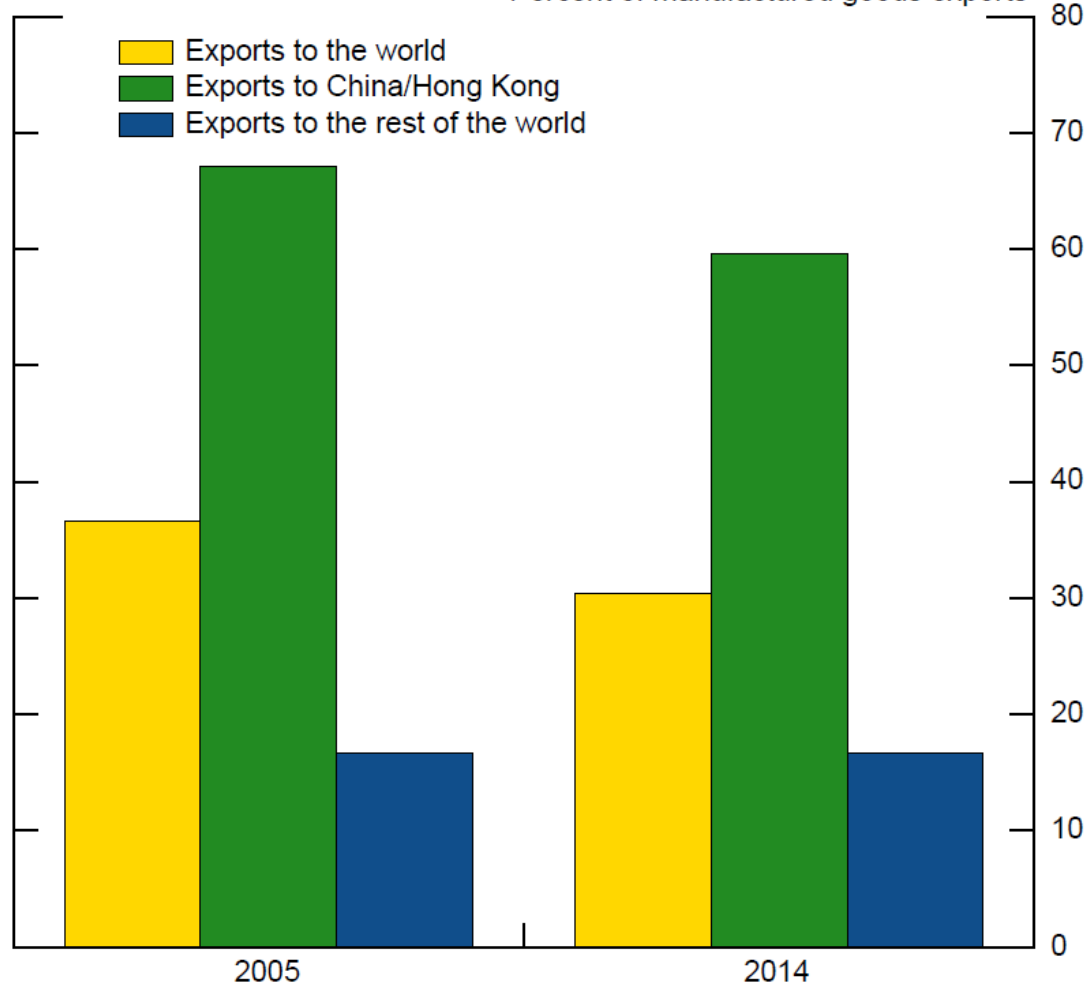
Note: GDP is gross domestic product. Line is the regression fit line including all countries. AL=Australia, AR=Argentina, BZ=Brazil, CA=Canada, CH=China, CL=Chile, CO=Colombia, EA=Euro area, HK=Hong Kong, ID=Indonesia, IN=India, IS=Israel, JA=Japan, KO=South Korea, MA=Malaysia, MX=Mexico, PH=Philippines, RU=Russia, SA=Saudi Arabia, SD=Sweden, SI=Singapore, SZ=South Africa, TA=Taiwan, TH=Thailand, VE=Venezuela, UK=United Kingdom.
 Source: FRB staff estimates based on data from Haver Analytics and World Economic Outlook Database (April 2016).



Slide 13

Asia ex. China: Parts and Components Exports

Percent of manufactured goods exports



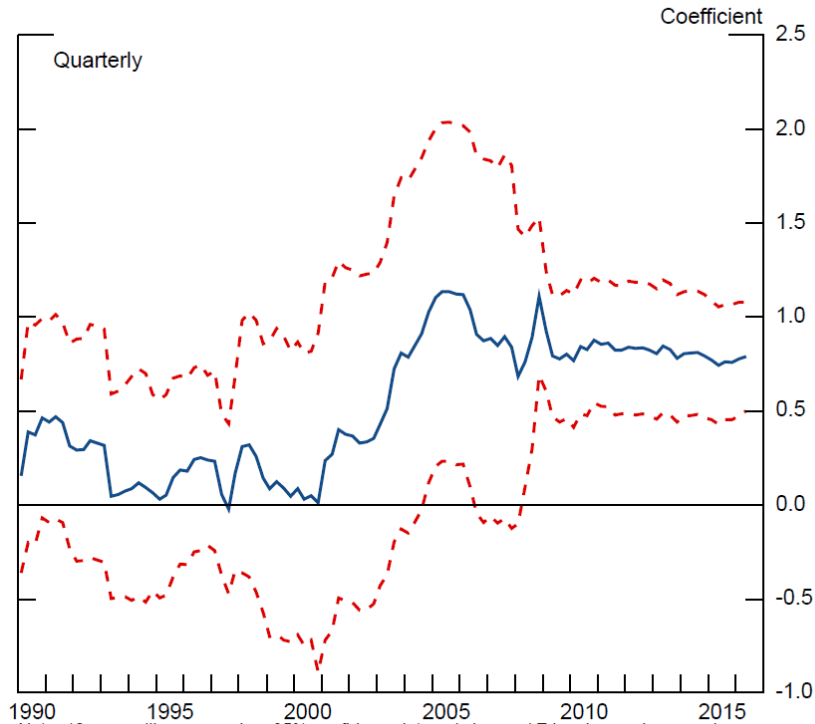
Note: Colors in key correspond with each bar segment, in order from left to right.

Source: FRB staff estimates based on Commodity Trade Statistics database (Comtrade), updated using methodology of Haltmaier et. al (2007). United Nations, Comtrade, Department of Economic and Social Affairs / Statistics Division, <http://comtrade.un.org/db/>. Asia ex. China includes following selection in Comtrade: India, Indonesia, Japan, Malaysia, Philippines, Singapore, South Korea, Thailand, Vietnam, and Other Asia.



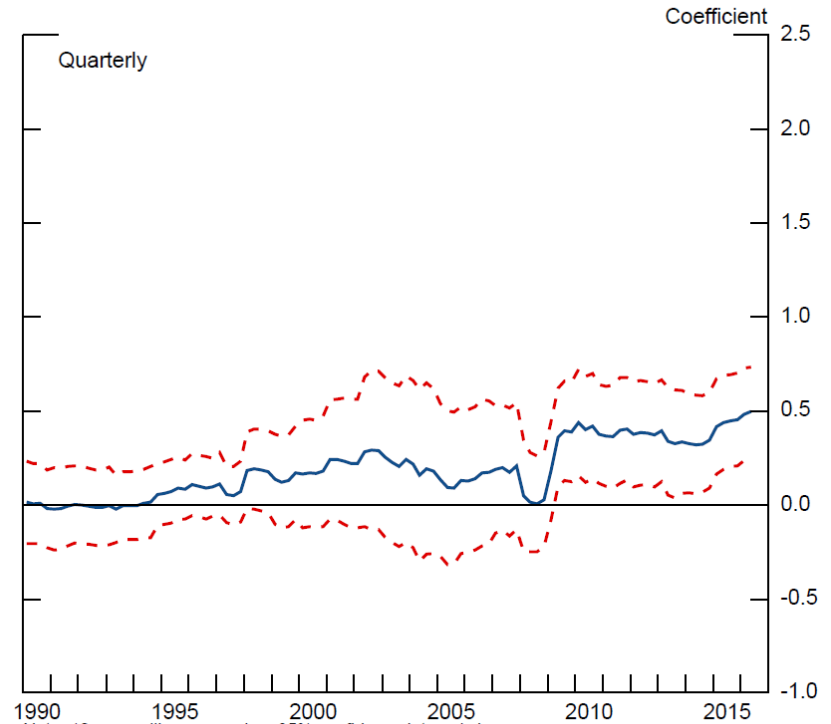
Slide 14

Effect of AE Growth on Asia ex. China Growth



Note: 10-year rolling regression; 95% confidence interval shown. AE is advanced economies.
Source: FRB staff estimates.

Effect of China Growth on Asia ex. China Growth

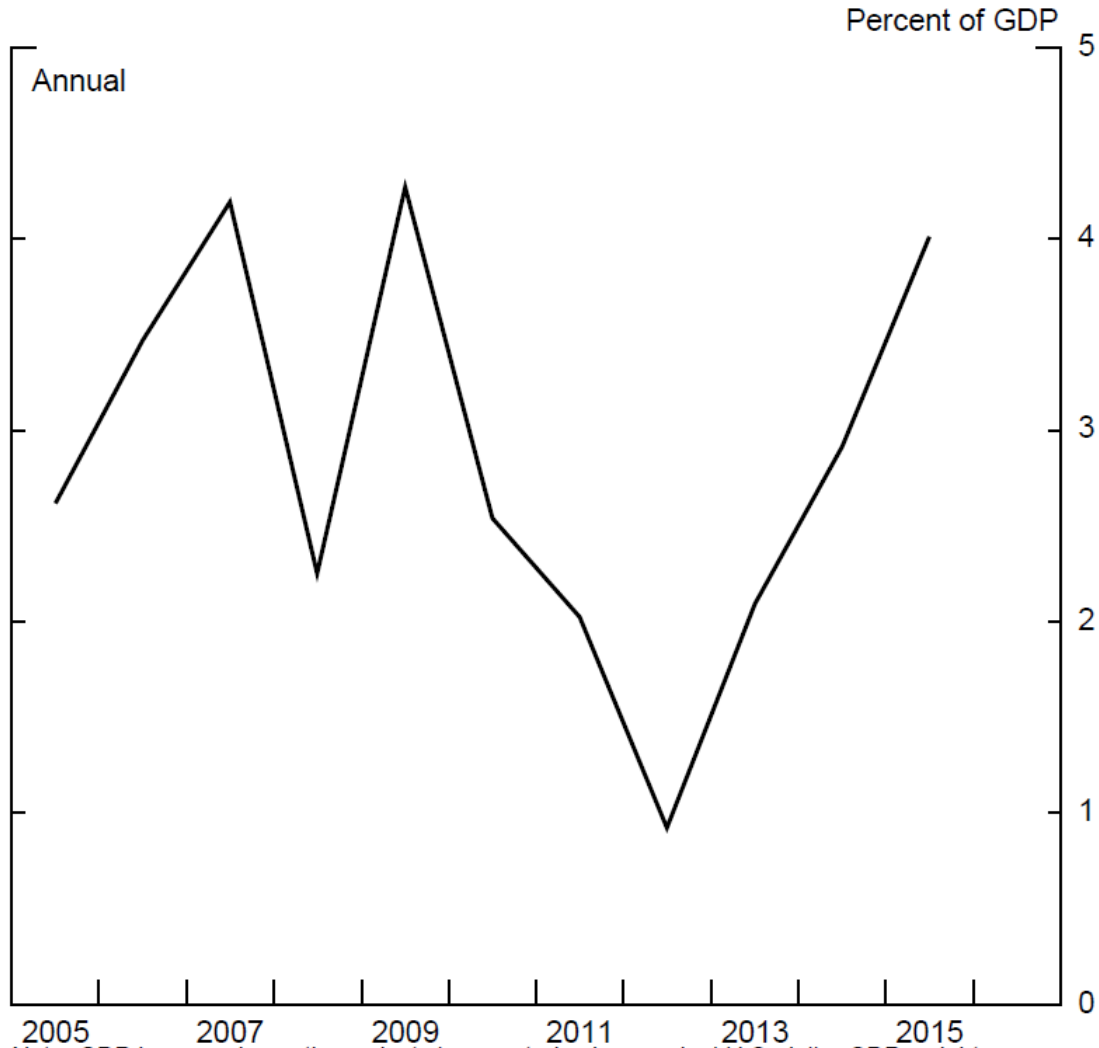


Note: 10-year rolling regression; 95% confidence interval shown.
Source: FRB staff estimates.



Slide 15

Current Account: EME Asia ex. China



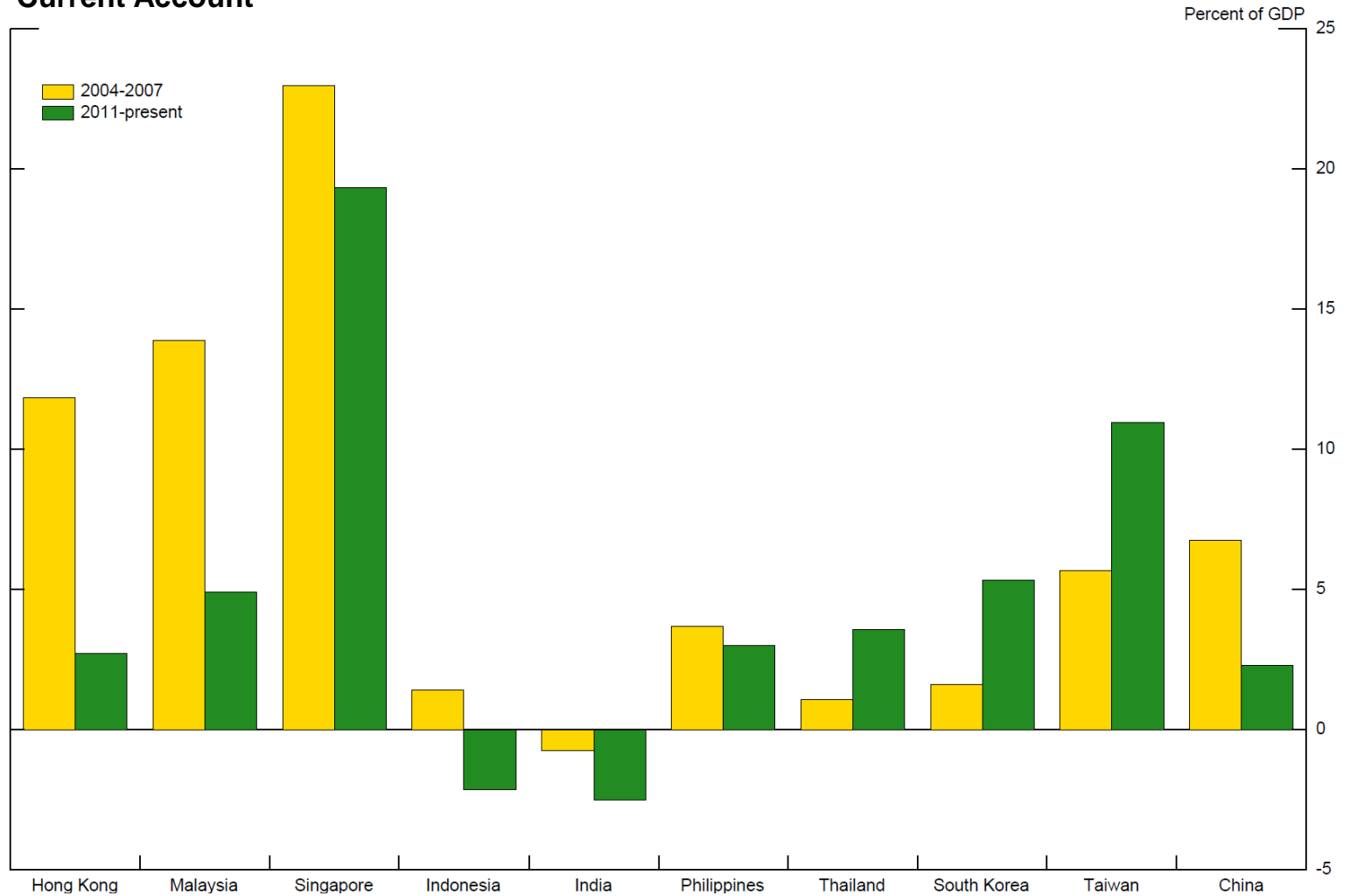
Note: GDP is gross domestic product. Aggregated using nominal U.S. dollar GDP weights. Includes Hong Kong, India, Indonesia, South Korea, Malaysia, Philippines, Singapore, Taiwan, and Thailand.

Source: Haver Analytics; FRB staff estimates.



Slide 16

Current Account



Note: Colors in key correspond with each bar segment, in order from left to right.

Source: Haver Analytics; The World Bank, World Development Indicators, accessed in 2016, <http://databank.worldbank.org/data/reports.aspx?source=world-development-indicators>.