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COMCEC Trade OUTLOOK 2015



Trade Working Group 7th Meeting

February 25, 2016

Ankara, Turkey

OUTLINE

- **Trade Between the OIC Member States and the World**
- **Intra-OIC Trade**

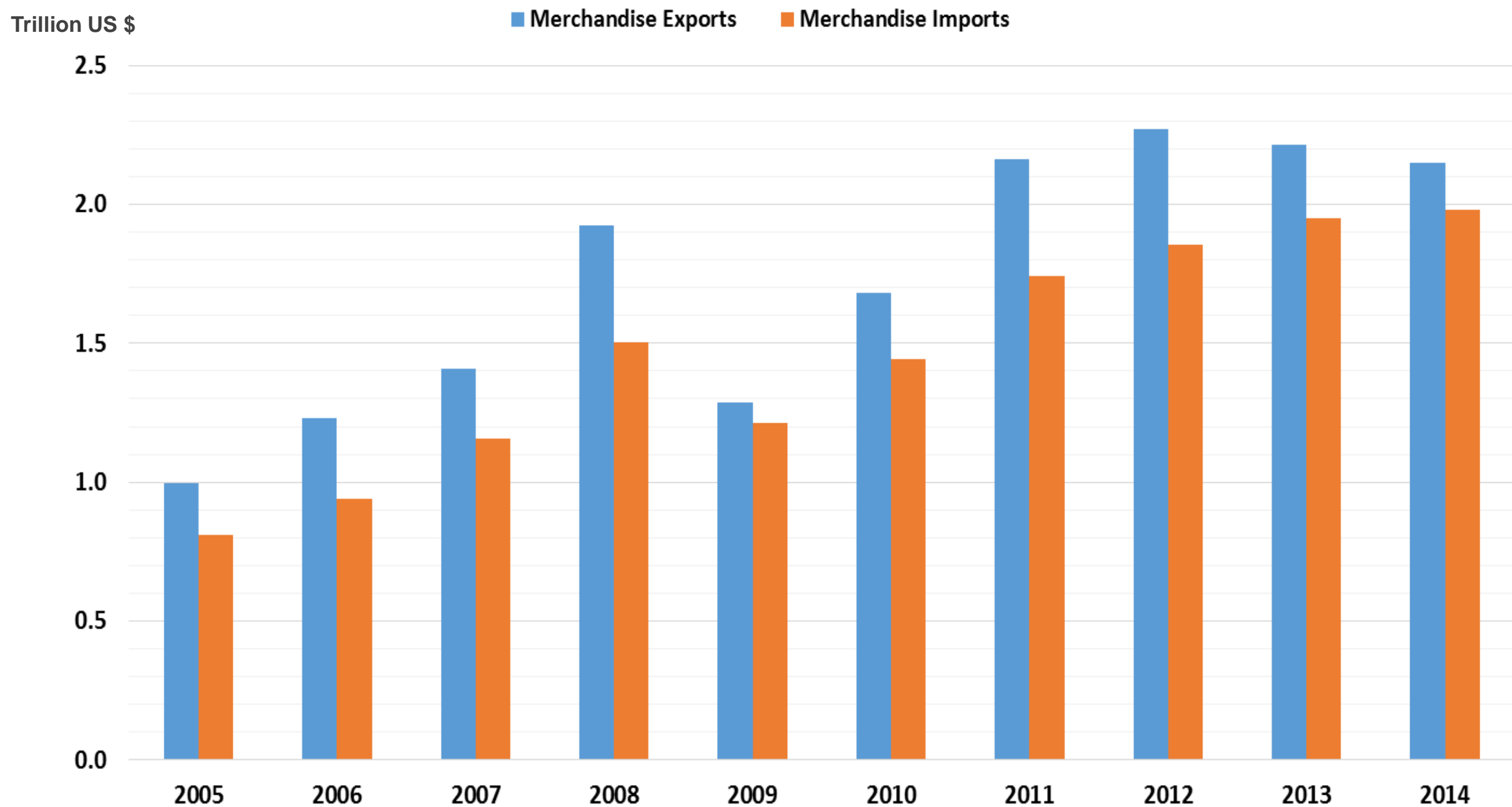


TRADE Between the OIC and the WORLD



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Total OIC exports fell by 3.0 per cent in 2014



Source: : IMF Direction of Trade Statistics



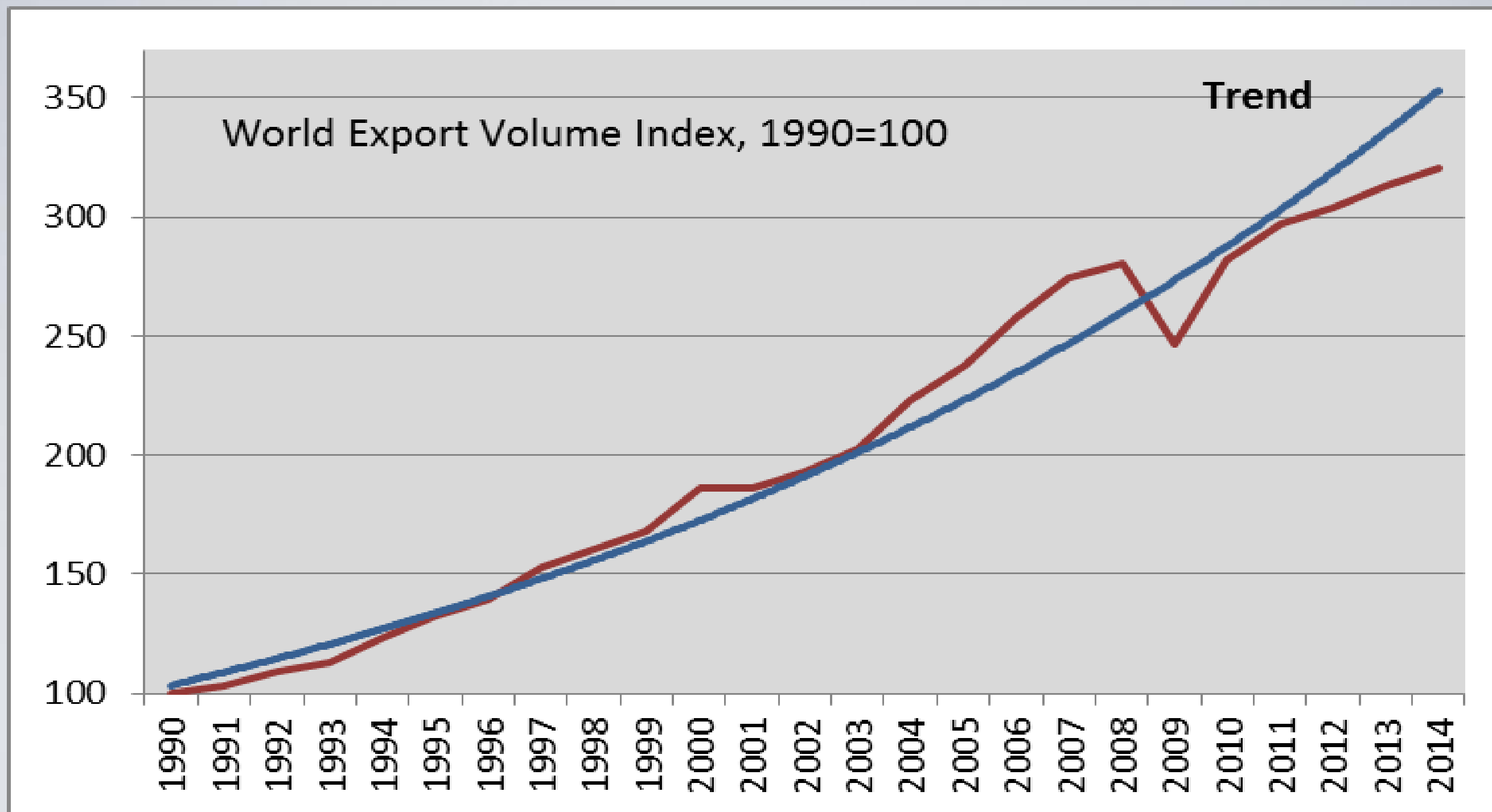
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Main Factors Accounting for the Weakness of OIC Exports in 2014

- **The slow pace of world demand growth**
- **Collapse in oil prices**
- **Falling prices for other primary commodities**
- **Ongoing political instability in the Middle East**



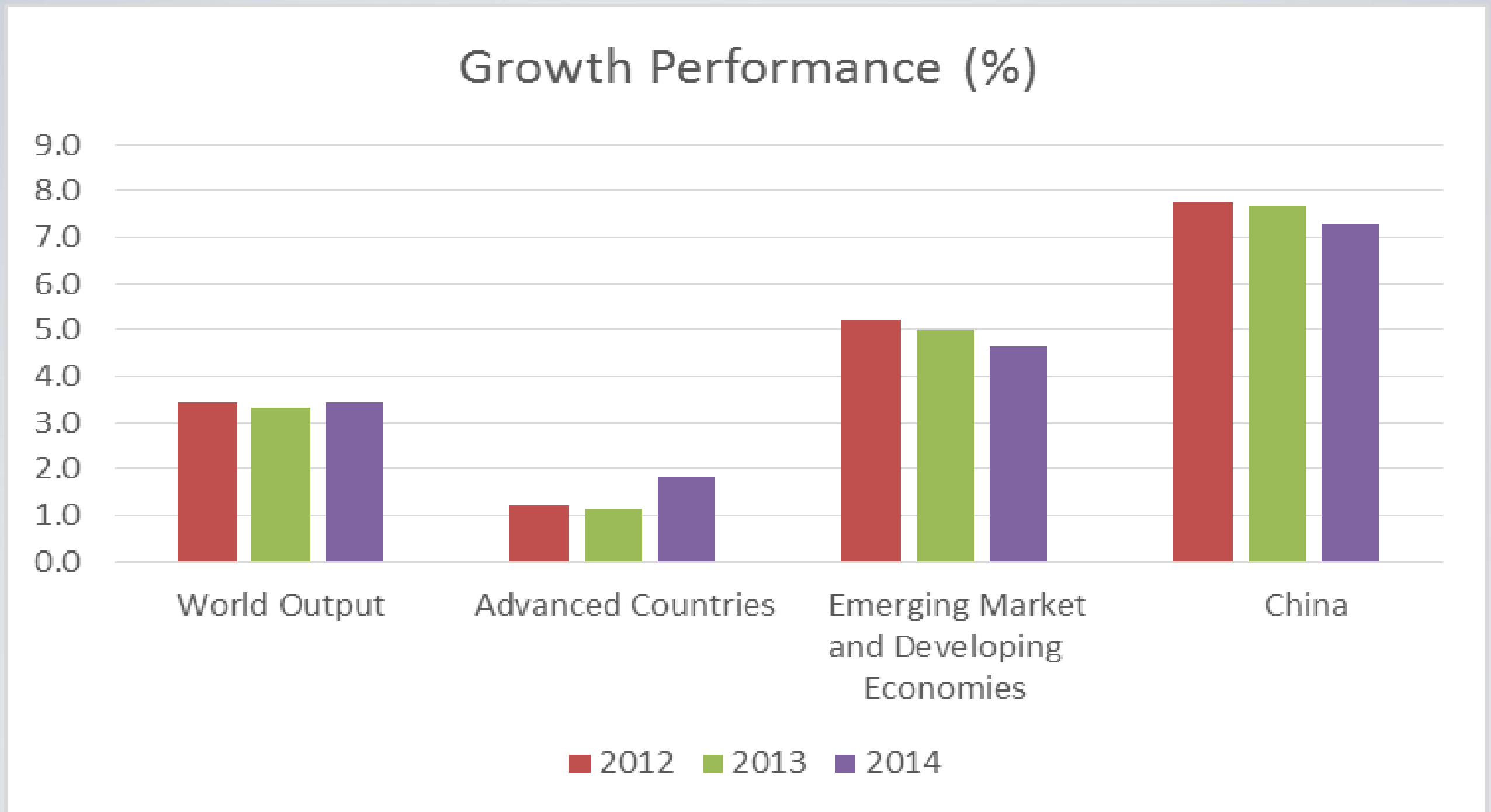
World trade growth remained sluggish in 2014



Source: WTO Database



Growth performance was especially weak in Emerging Economies

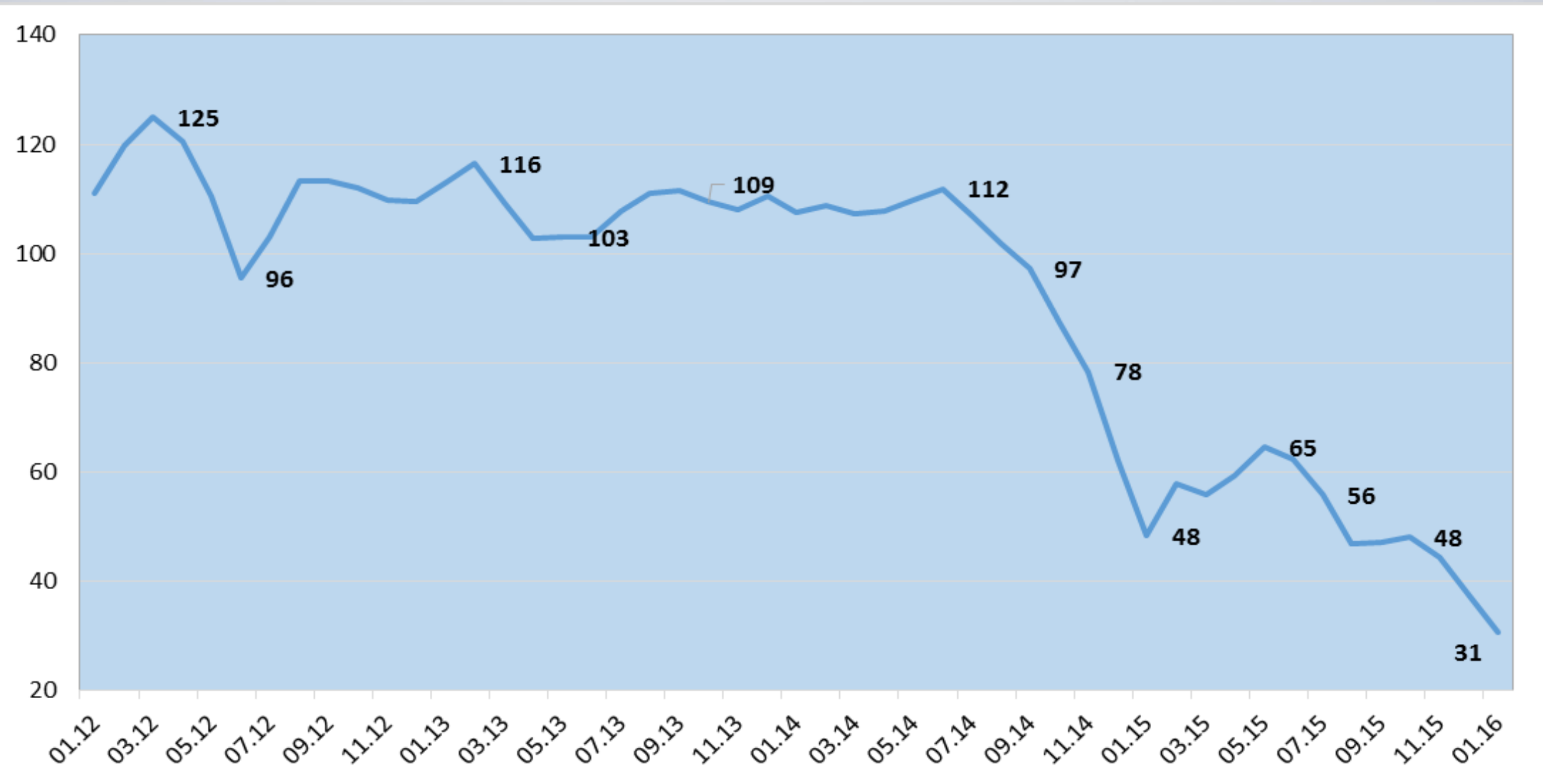


Source: IMF World Economic Outlook, January 2016 Update



Brent Oil prices averaged 31(\$/pb) in January 2016, down from 112 (\$/pb) in June 2014

(US \$/b)



Source: IMF Commodity Price Statistics



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Supply side factors have a dominant role in the collapse in oil prices

Supply Side Factors

Increasing Non-OPEC Oil Supply

OPEC's Policy Shift to Keep Market Share

Recovery of Production in Iraq

Iran's Return to Global Oil Market

Demand Side Factors

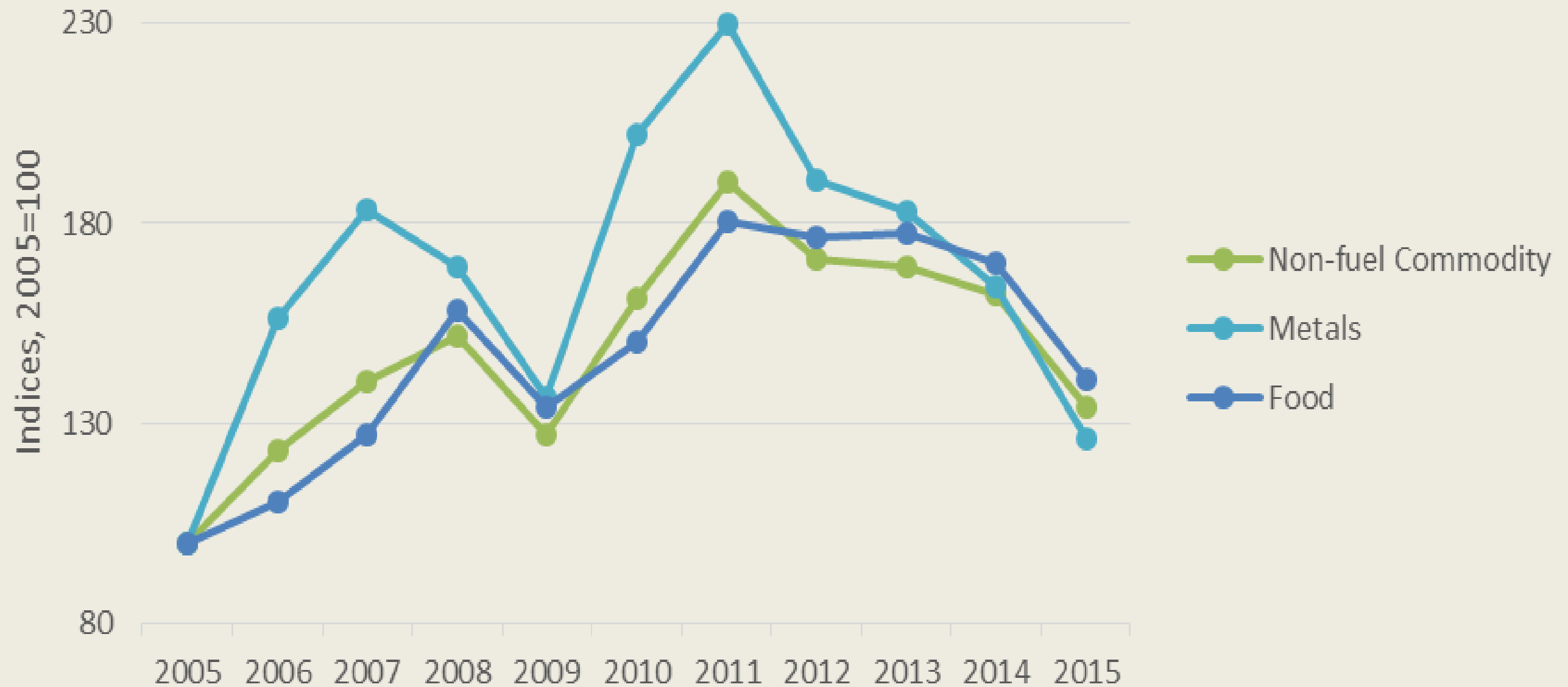
Demand Weakness

Increasing Energy Efficiency

Source: Authors, based on IMF World Economic Outlook data

Non-fuel Commodity Prices Have Been Declining

Non-Fuel Commodity Prices

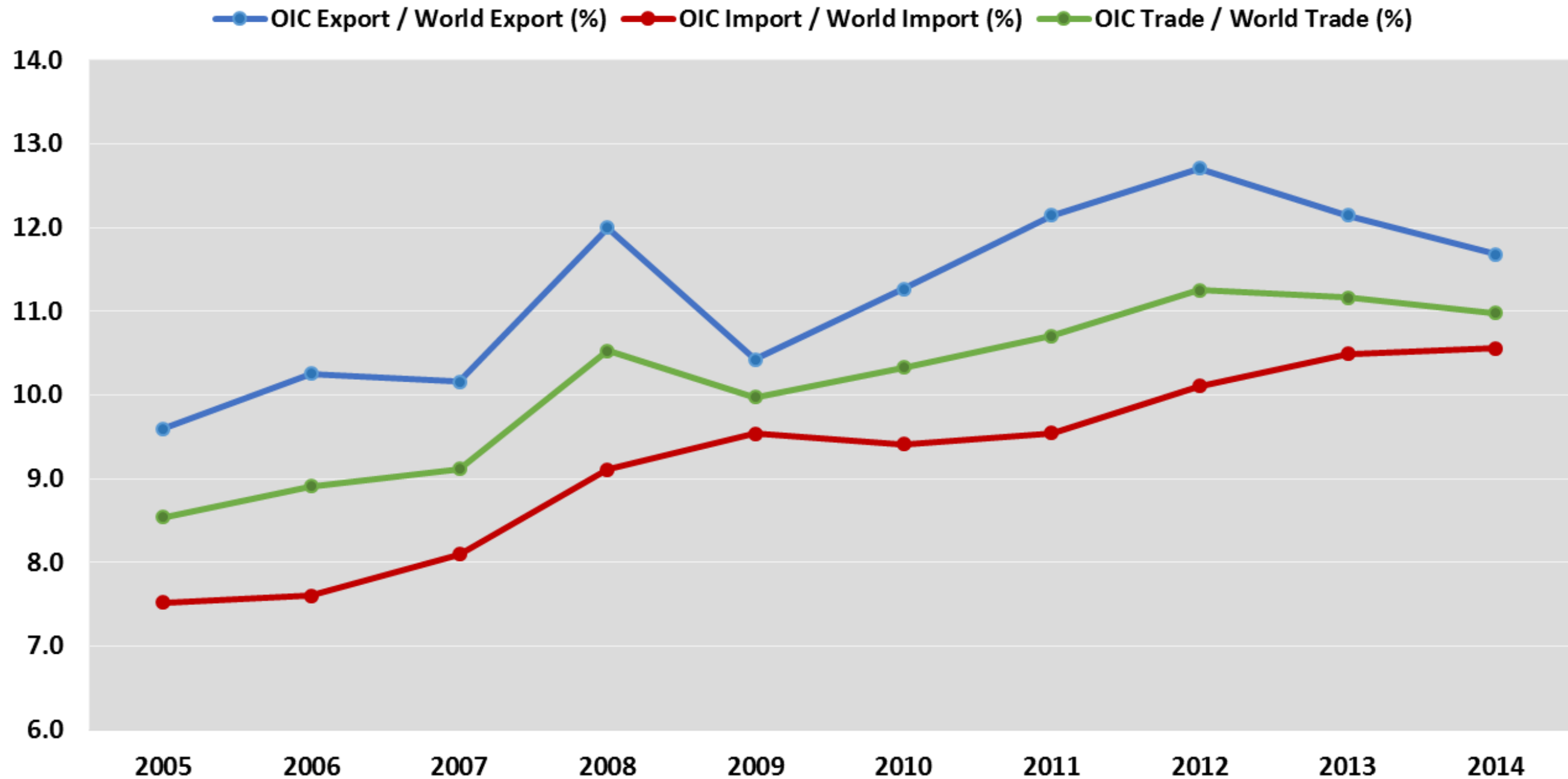


Source: IMF Database



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Share of OIC countries in global exports have been declining since 2012

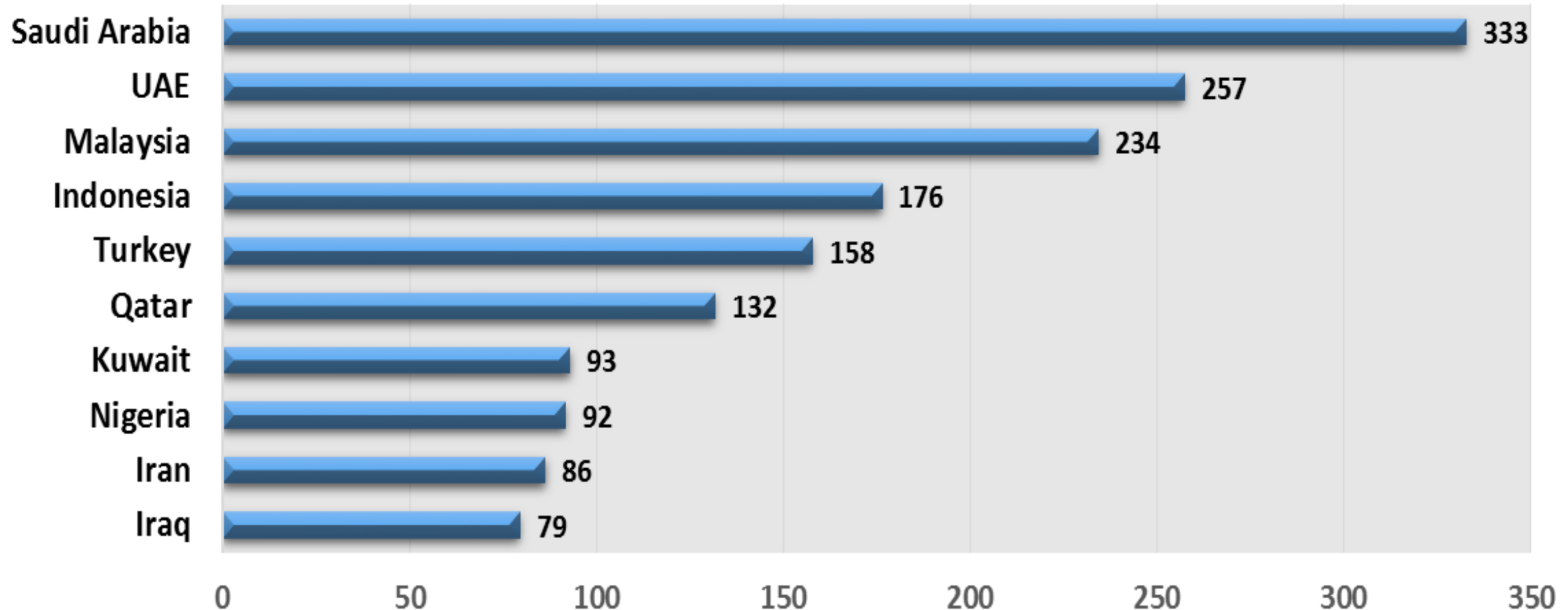


Source: IMF Direction of Trade Statistics



Top performers as a whole accounts for 76 per cent of total OIC exports

Top Exporter Countries in 2014, Billion Dollars

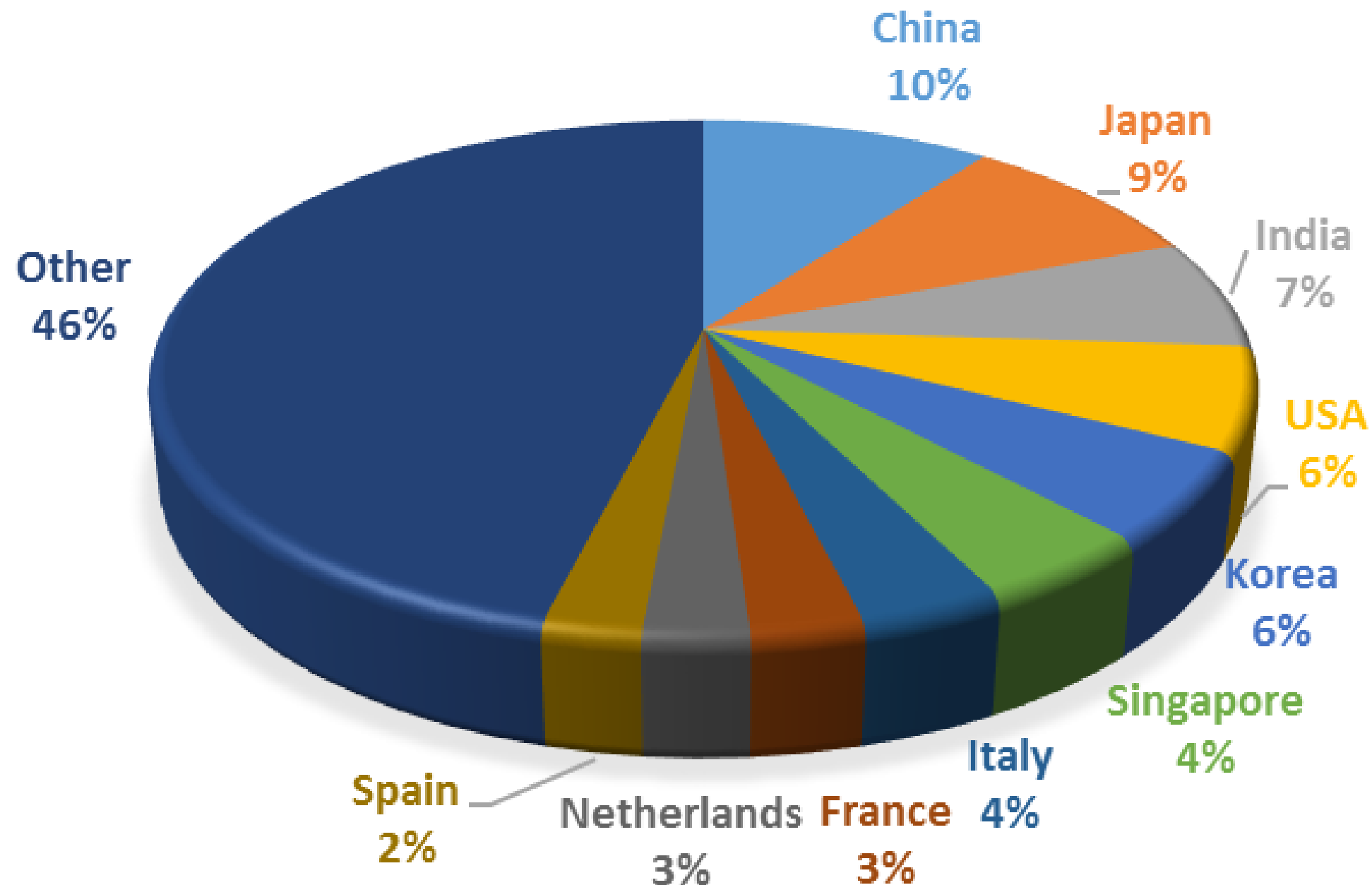


Source: IMF Direction of Trade Statistics



High country concentration in total OIC exports

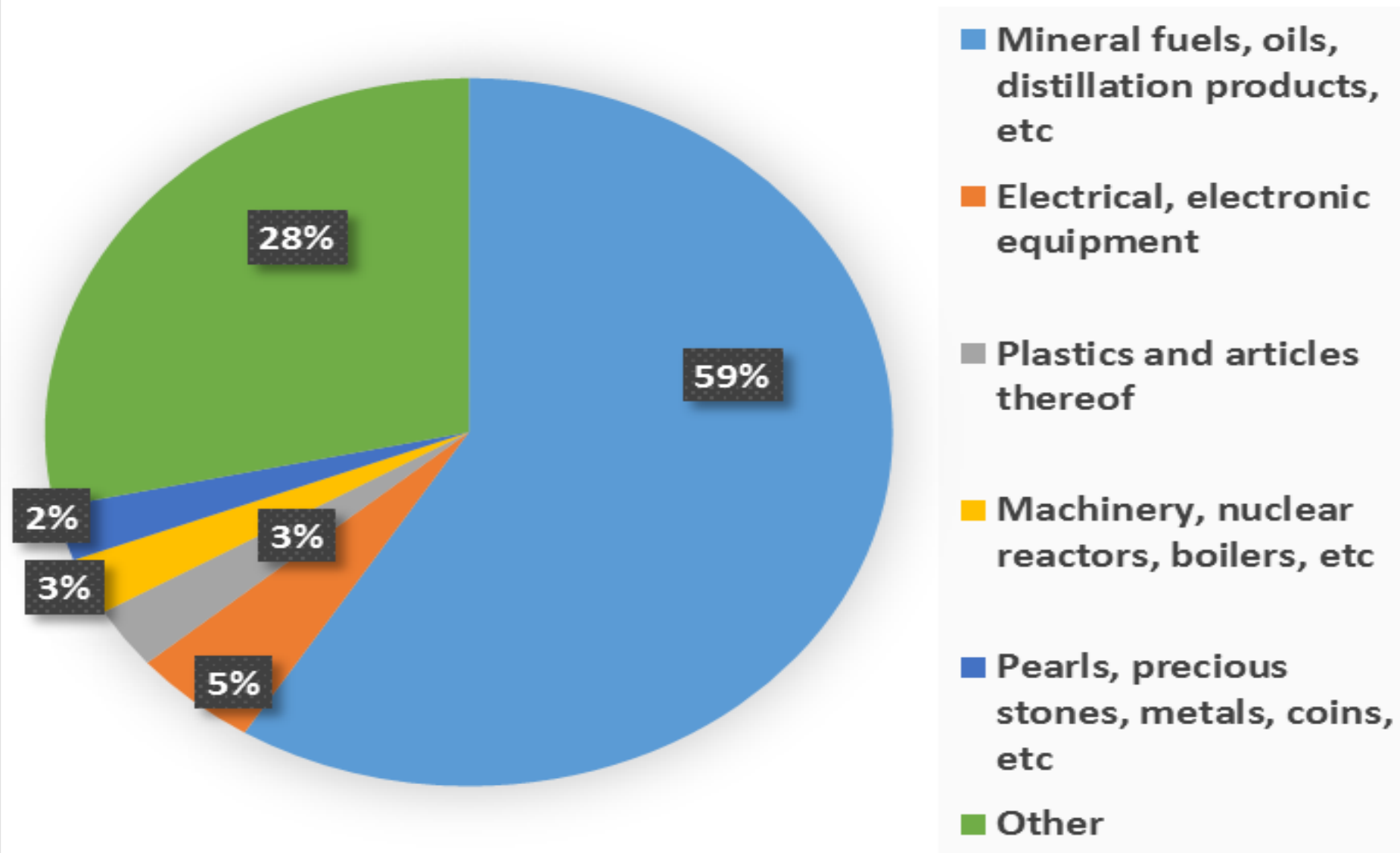
TOP DESTINATIONS FOR OIC EXPORTS



Source: ITCtrademap

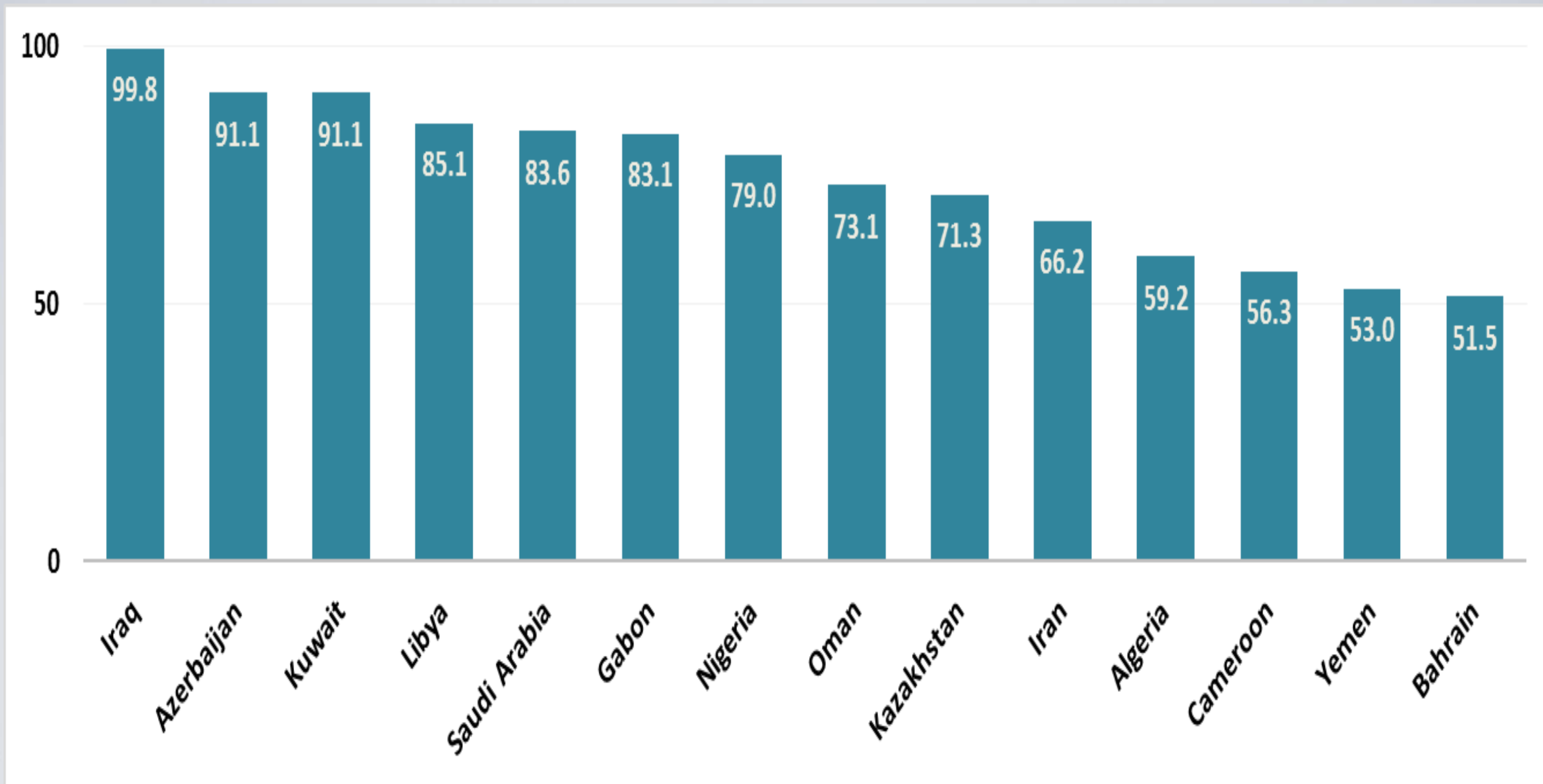
Dominance of mineral fuels and oils in total OIC exports

**Top Five OIC Exports to World
(2014)**



Source: ITC

Share of Petroleum in Total Exports, (%)



Source: UN Comtrade

Note: Latest available data were used

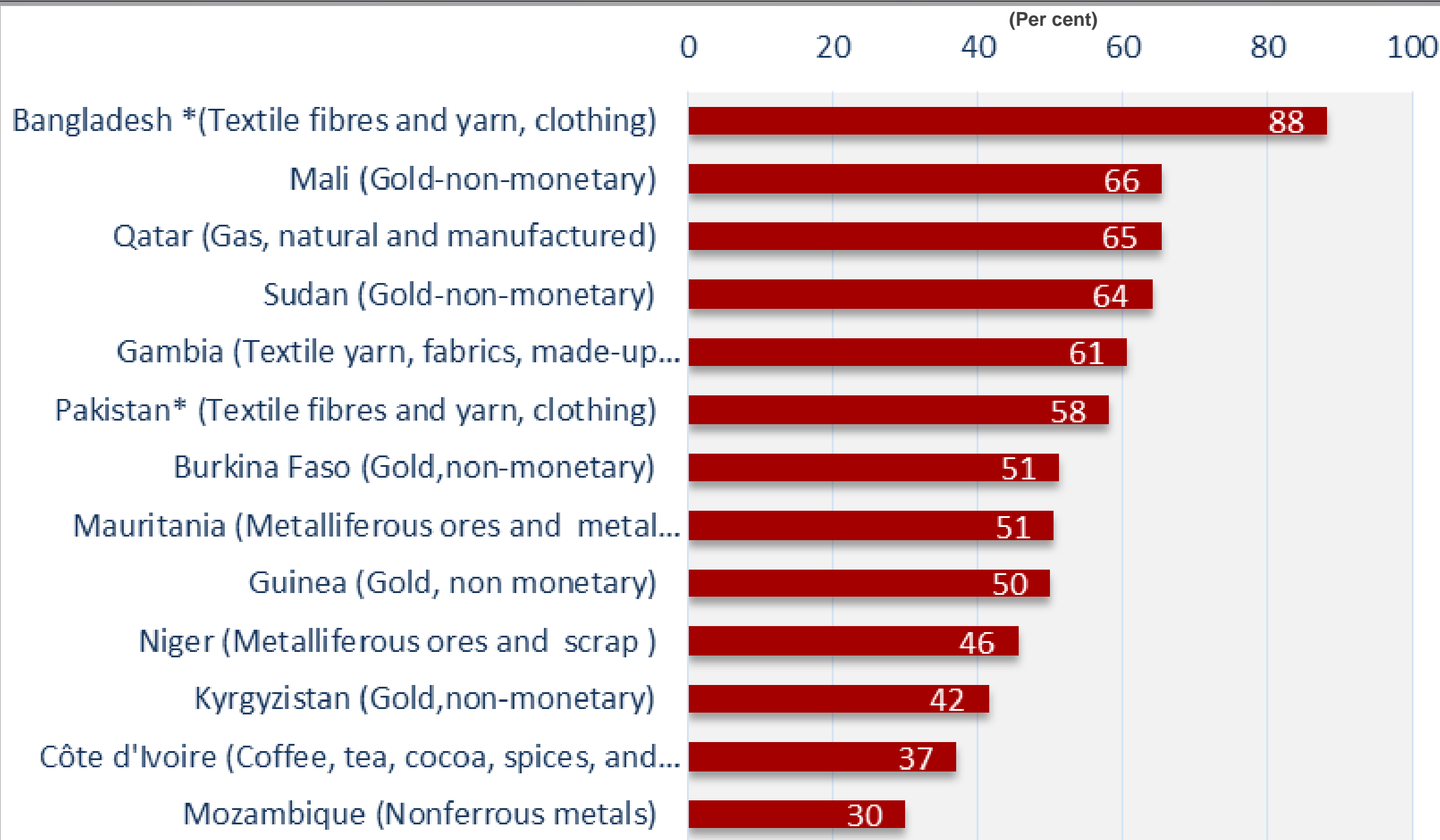


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Share of Commodities in Total Exports, 2014 (%)



Source: UN Comtrade

(*) Includes SITC Rev 3 sectors 26, 65 and 84

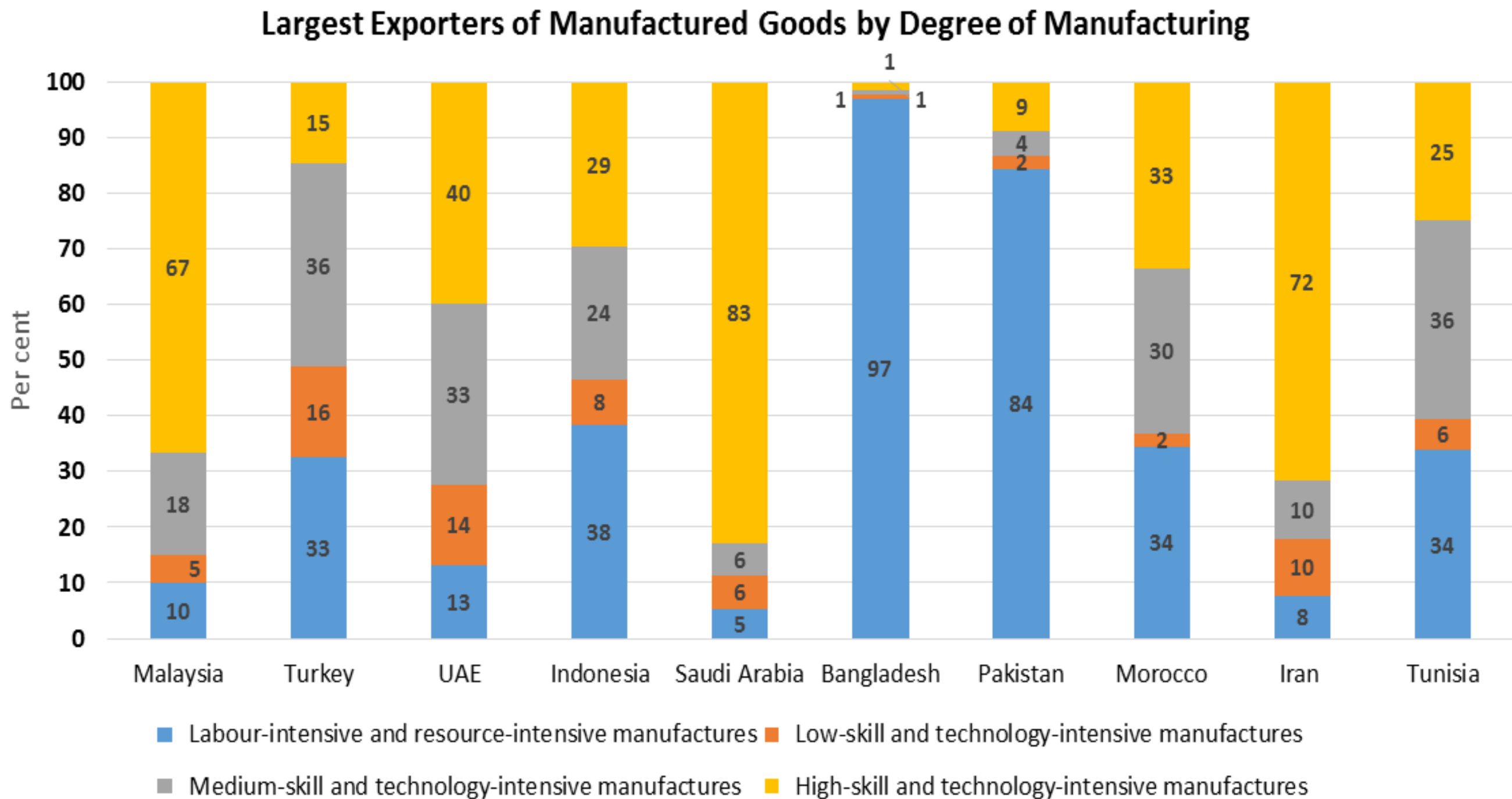


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Malaysia, Turkey, United Arab Emirates and Indonesia are the largest manufactured goods exporters of OIC



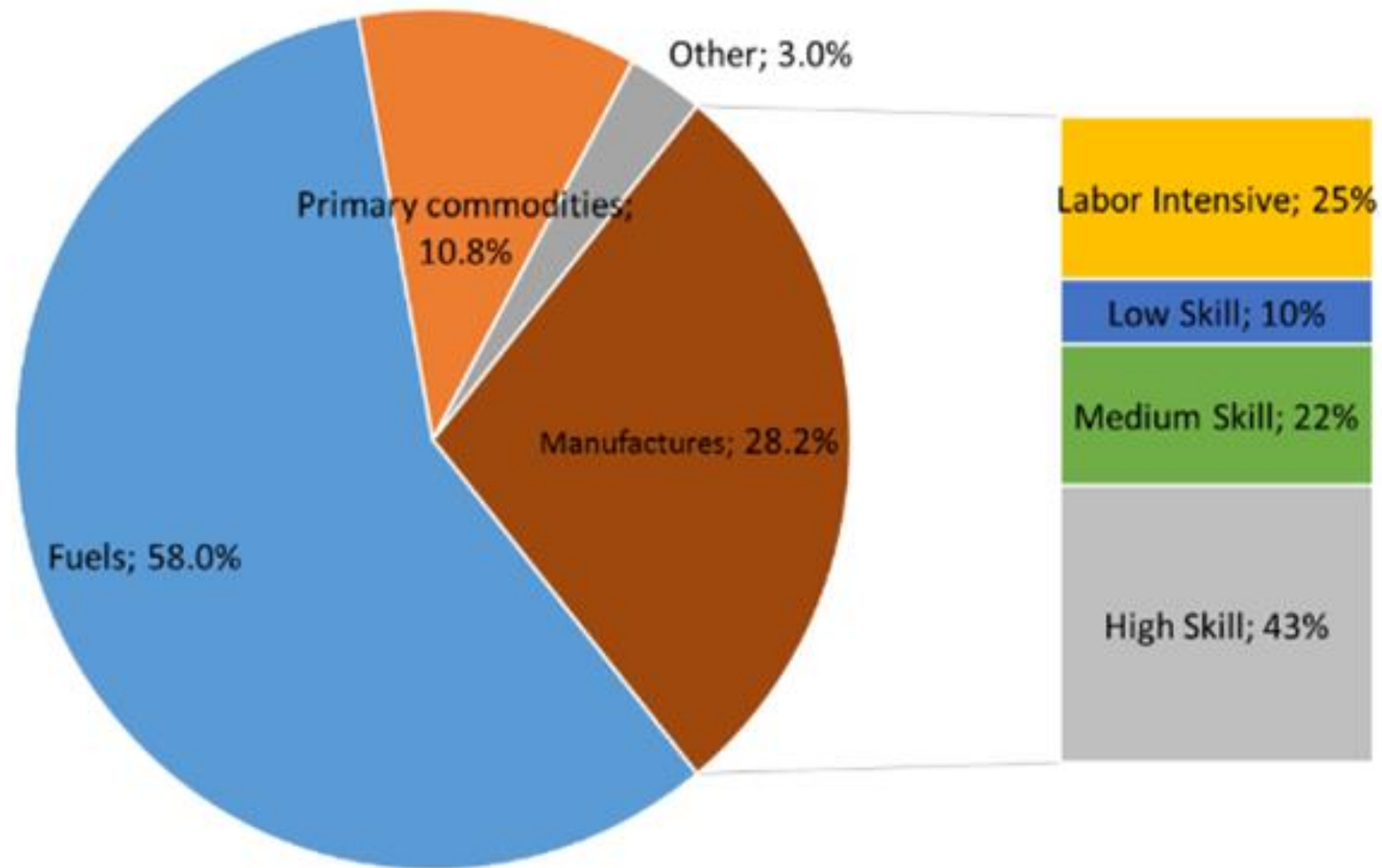
Source: UNCTADSTAT



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43 per cent of total OIC manufactured goods exports consist of high-skill and technology-intensive manufactures

Figure: OIC Exports by Degree of Manufacturing, 2014



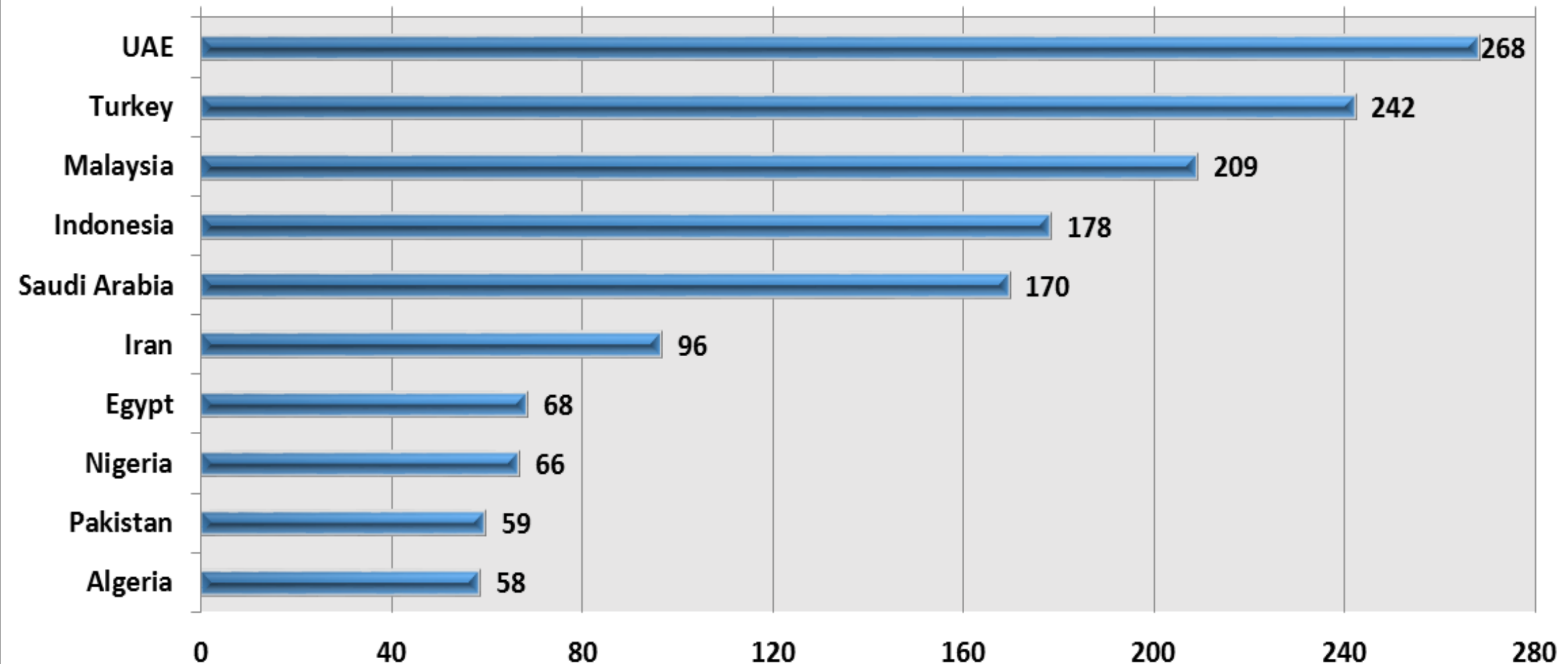
Source: UNCTADSTAT

TOTAL OIC IMPORTS



Total OIC imports dominated by the leading exporters in 2014

OIC Imports from World (2014, Billion \$)



Source:IMF Direction of Trade Statistics

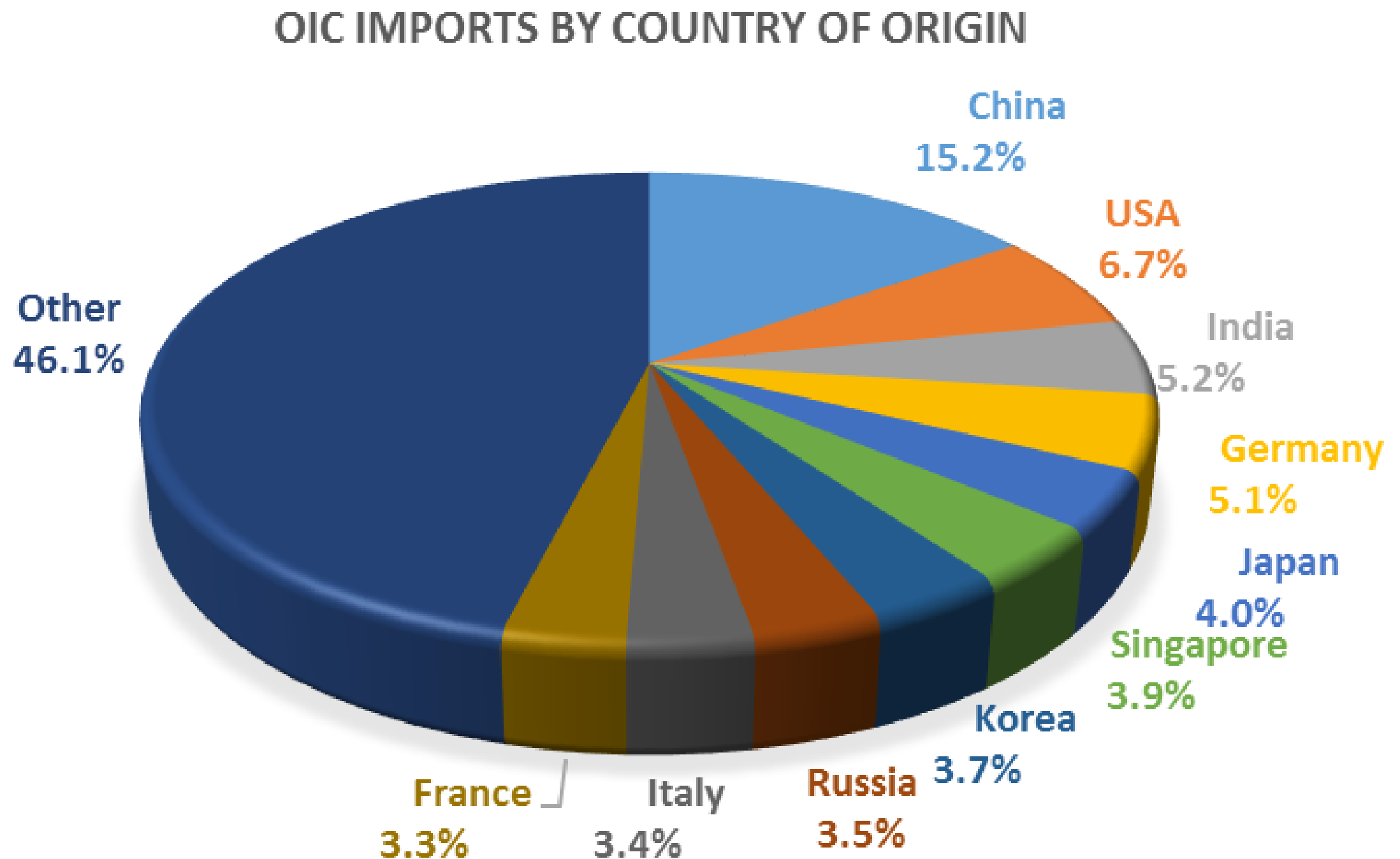


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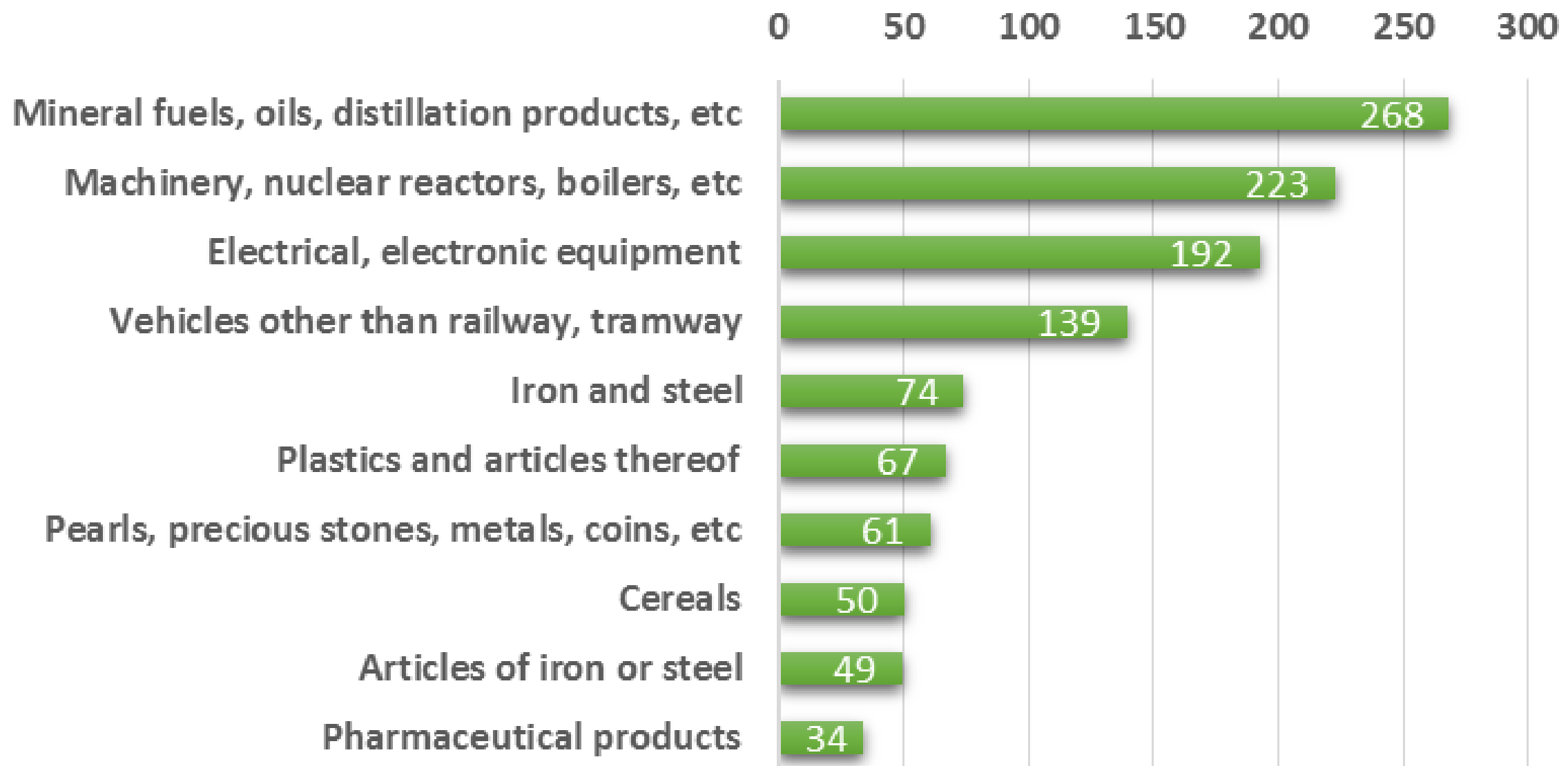
Total OIC imports originated mainly from developed countries



Source: UNCTADSTAT

Product diversification of total OIC imports was higher

OIC Imports from World (2014), billion \$



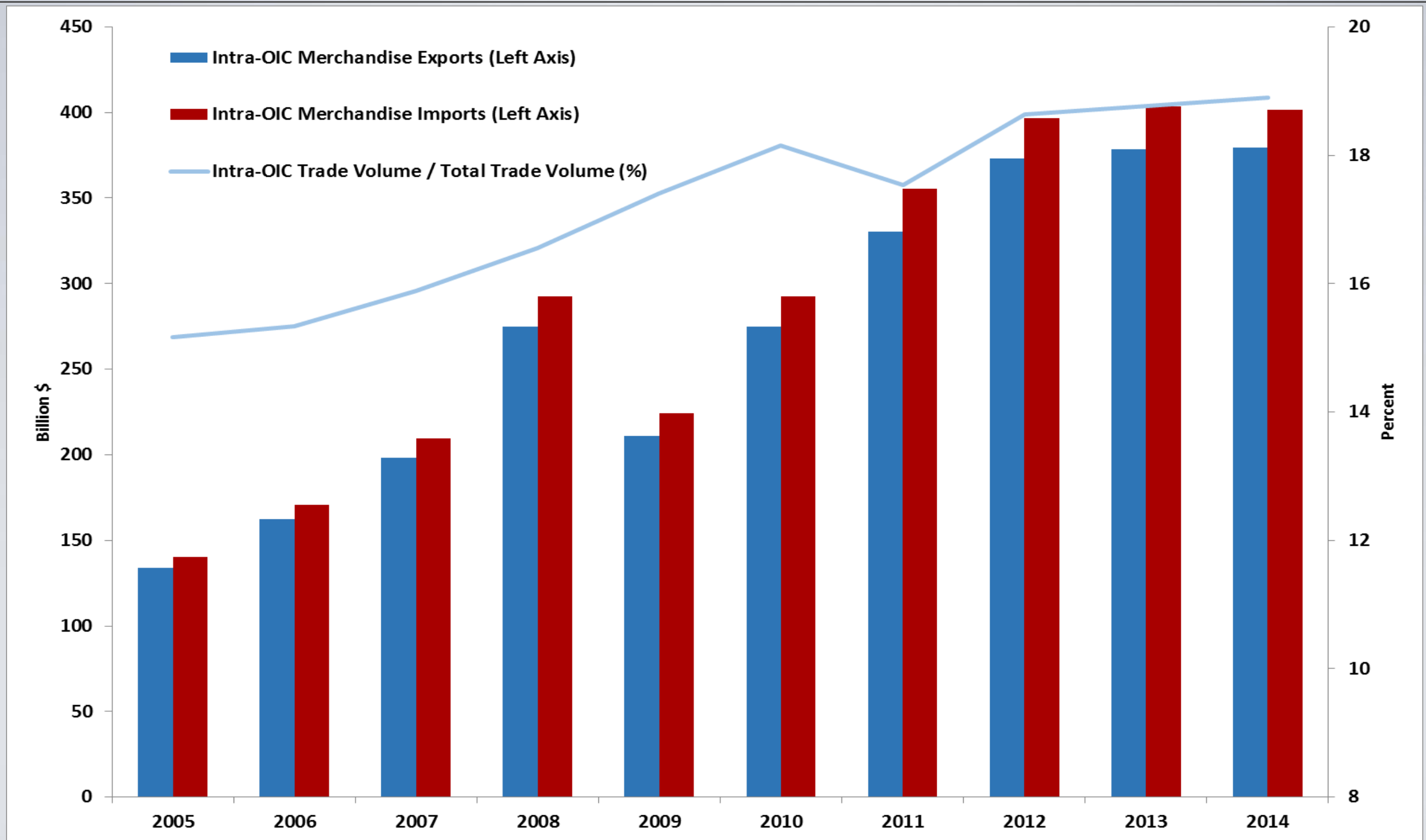
Source: ITC



INTRA-OIC TRADE



Share of intra-OIC trade peaked at 18.9 per cent in 2014

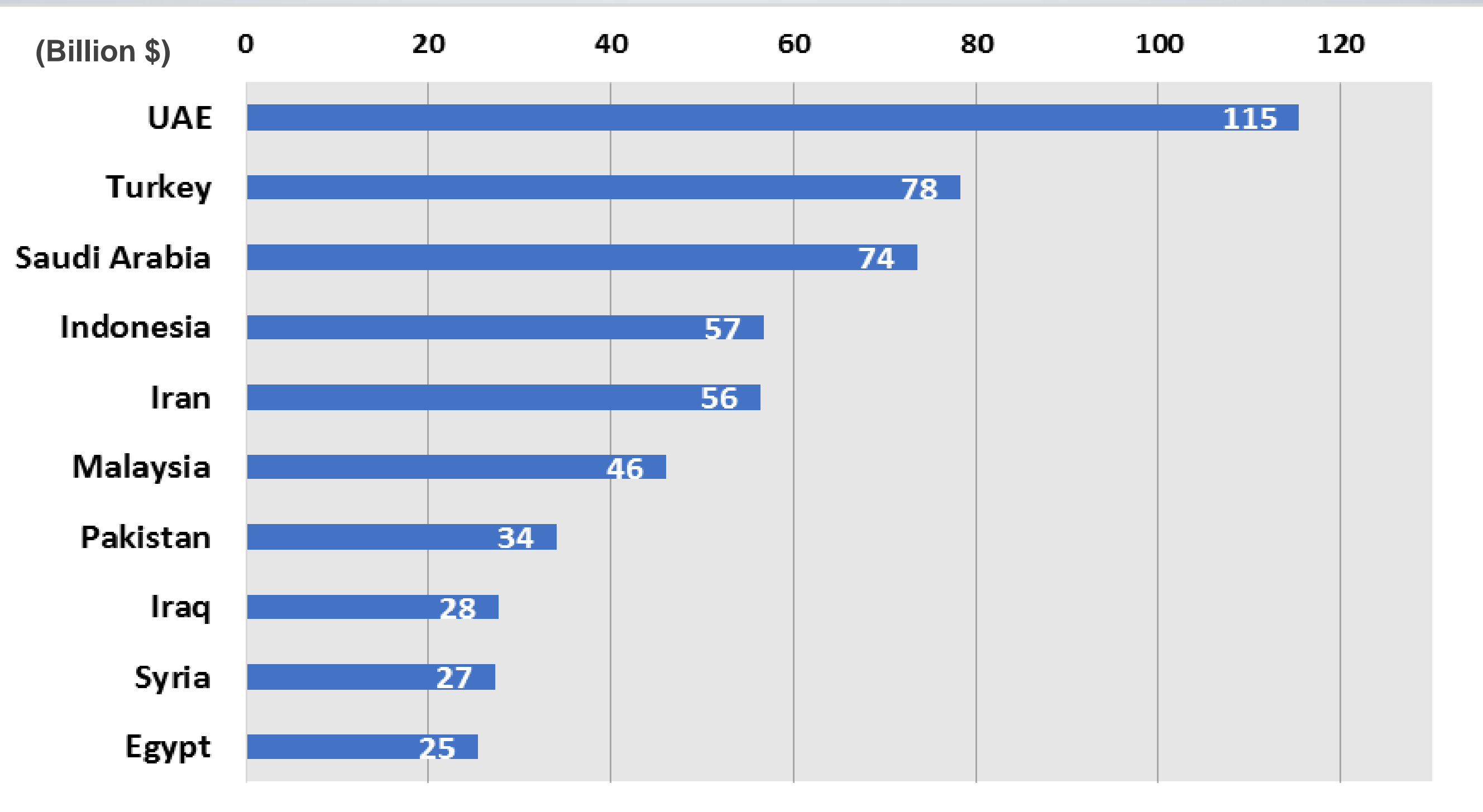


Source: IMF Direction of Trade Statistics



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Top performers in intra OIC trade in 2014

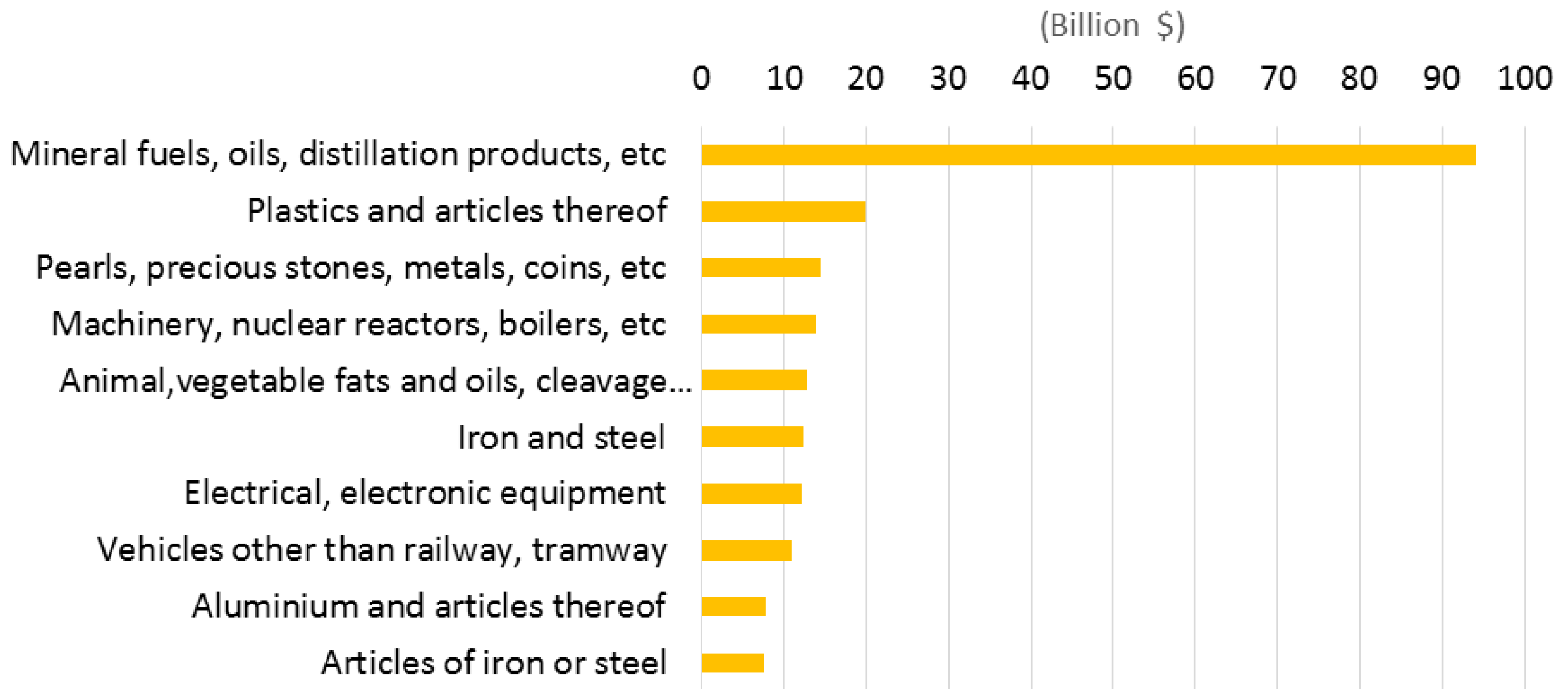


Source:IMF DOTS



Intra-OIC exports concentrated on a few commodities in 2014

Top Sectors in Intra-OIC Exports

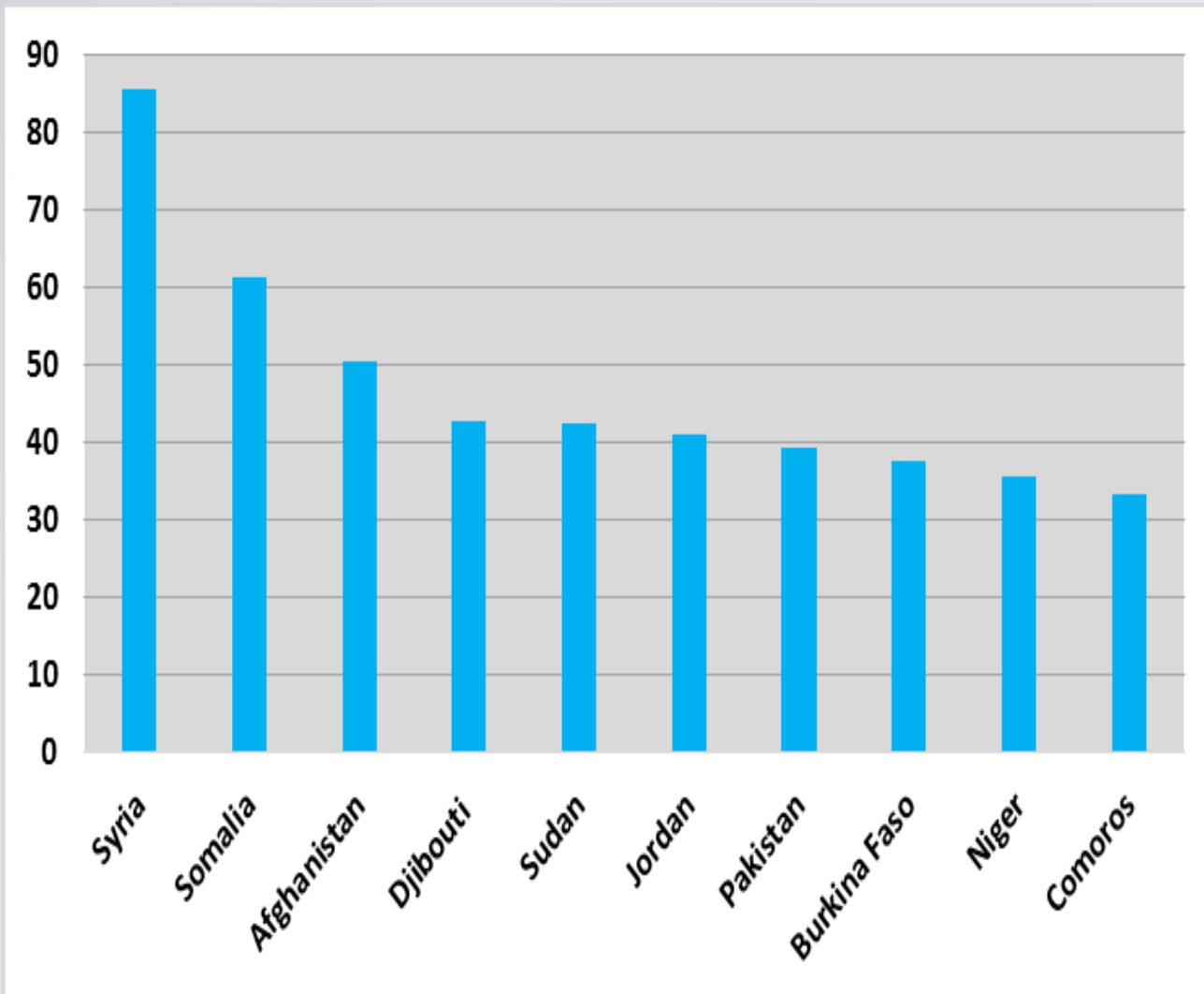


Source: ITC Trademap

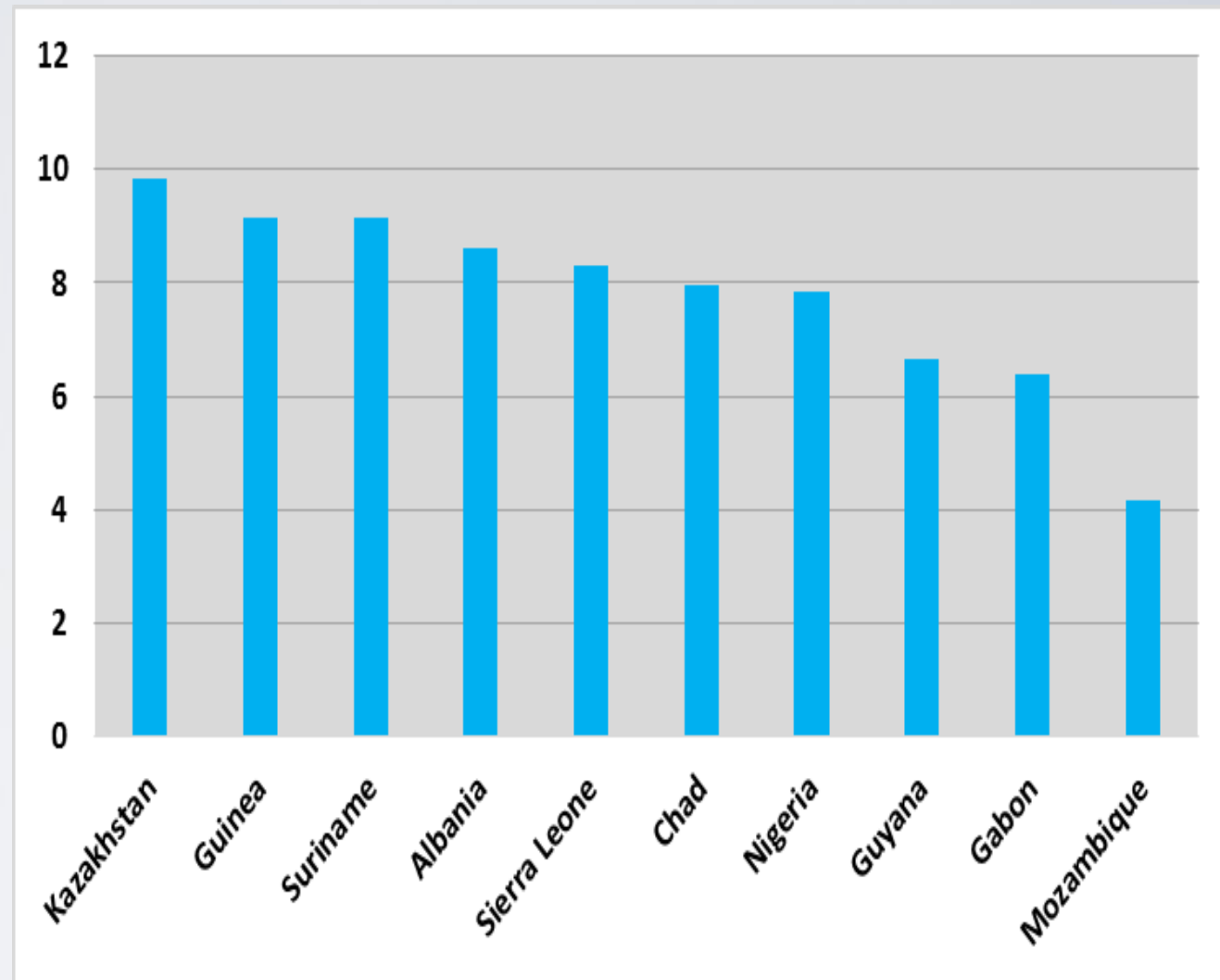


20 per cent intra-OIC trade target was surpassed by 30 Member States in 2014

Member States Having the Biggest
Intra-OIC Trade Share (%)



Member States Having the Lowest
Intra-OIC Trade Share (%)



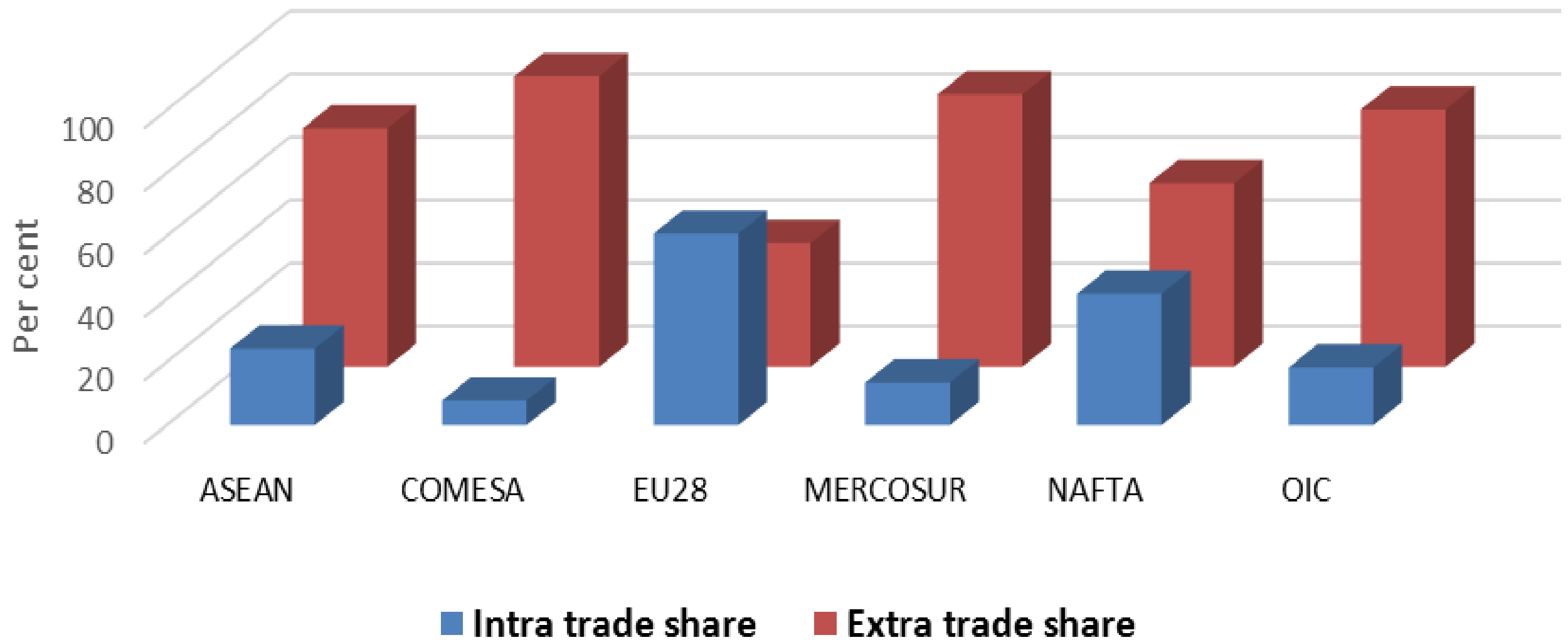
IMF Direction of Trade Statistics



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There is a Great Potential to Realize in Increasing Intra-OIC trade

Intra/Extra Trade Shares



Source: UNCTAD Stat



COMCEC Strategy identifies the expansion of trade among the Member Countries as the strategic objective





Thank You

