

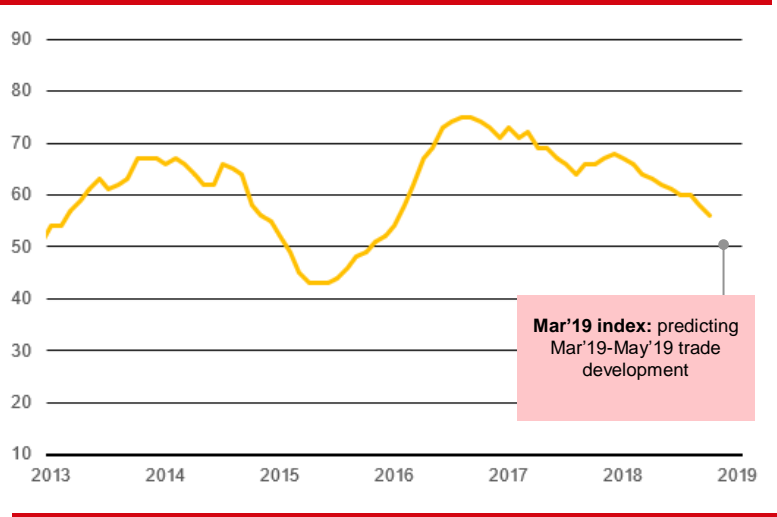


DHL Global Trade Barometer: Global trade slowly growing despite downside risks fuelling a negative sentiment

- Logistics data from intermediates and early-cycle commodities indicate that trade growth will further lose momentum
- DHL Global Trade Barometer Index falls by -4 points to 56 compared to December
- Weaker prospects for almost all surveyed countries – except Germany and the UK
- Tim Scharwath, CEO of DHL Global Forwarding, Freight: “Our current findings indicate trade growth although at a slower pace”

Bonn, March 28, 2019: According to the latest three-months forecast by the DHL Global Trade Barometer (GTB), trade growth will continue to lose momentum. The overall growth index decreased by -4 points compared to the last update in December. However, scoring 56 points in March, the index still signals slight growth, even though it comes ever closer to the threshold of 50 points, which marks the line between positive and negative growth in the GTB methodology. No surveyed country was able to maintain an overall index value of 60 points or higher, with prospects slowing down for almost all countries. The only countries currently resisting this downward trend are Germany and the UK.

- **DHL Global Trade Barometer – World**
- **Index 2013 – present, 50 = no change**



Tim Scharwath, CEO of DHL Global Forwarding, Freight, said: “Global trade has grown remarkably in recent years. While we are witnessing an ongoing slowdown of this growth momentum, the current DHL Global Trade Barometer still shows trade activity will remain



positive over the next three months. Thus, the index does not reflect the dominant negative public sentiment with respect to international trade – at least not in the short-term.”

GTB becomes subject of macroeconomic research

Launched in January 2018, the DHL Global Trade Barometer is an innovative and unique early indicator for the current state and future development of global trade. It is based on large amounts of logistics data that are evaluated with the help of artificial intelligence. In order to make this valuable data accessible for academic research and to increase the macroeconomic significance of the indicator, DHL recently entered into research cooperation with Eswar S. Prasad, Professor of Trade Policy and Economics at Cornell University in Ithaca, NY, USA.

Commenting on the latest results, Professor Prasad said: “The DHL Global Trade Barometer paints a picture of positive but weakening global trade growth. This is consistent with eroding growth momentum in the major advanced and emerging market economies. Global trade flows are also being dampened by ongoing trade tensions and geopolitical uncertainties, which in turn are hurting business and consumer sentiment. These developments could adversely impact consumer demand for durable goods and business investment in physical capital, and also prompt a re-evaluation of the structure of international supply chains. All of these factors – which are reflected in the overall, country, and sectoral indexes of the Global Trade Barometer – add up to a softened positive short-term outlook and carry the risk of further deteriorating prospects for world trade.”

Broad-based decline in trade prospects

The weaker global average outlook is driven by reduced growth rates in both, air and ocean trade. The respective global index value for air trade has declined by -4 to 55 points. The growth rate for global ocean trade has decreased by -5 to 56 points.

The overall reduction of expected trade growth is also reflected by the country-specific scores: Only Germany's and the UK's overall trade indexes have improved slightly by +2 points. The scores of the remaining five surveyed countries have decreased. Two developments stand out in particular.

India & South Korea: Countries with strongest growth are losing pace



India and South Korea were the countries with the strongest growth in December's GTB update. Three months later, both countries account for the highest and second-highest overall index losses, respectively. South Korea records losses of -12 points, sliding from moderate trade growth into stagnation and from the second highest to the lowest GTB score (now 49).

The decrease of India's forecasted trade growth is even higher at -18 points. This is mainly due to the country's much weaker ocean trade, whose index dropped by -20 points. Despite the losses, India maintains the highest predicted trade growth of all GTB countries (now scoring 59) due to the generally weakened forecasts.

Robust against trade war and Brexit

Regardless of the ongoing Brexit discussions along with the fear of a potential recession, the outlook on British trade growth remains positive at a level of 54 points (+2), indicating at least weak growth but no decline in international trade. However, this development is likely to be driven by re-stocking of goods in the run-up to Brexit. Also Germany's trade index has improved by +2 points to 53 points. The foreseen moderate growth for Germany is mainly based on the forecast for German air freight exports which are up +9 points. This trend is most likely due to growing transatlantic trade.

Despite the trade tensions between the US and China, outlook for Chinese trade decreased only minimally by -1 to 56 points. This indicates only small trade growth but no feared downturn. The US however has a decline of -5 to 55 points. This puts them roughly on a par with China in terms of predicted trade growth for the next three months.

The next GTB update will be released End of June.

To learn more about the DHL Global Trade Barometer, please visit dpdhl.com/gtb

– End –

You can find the press release for download as well as further information on dpdhl.com/pressreleases

**Media Contact:**

Deutsche Post DHL Group

Media Relations

David Stöppler

Phone: +49 228 182-9944

E-mail: pressestelle@dpdhl.com

On the Internet: dpdhl.de/press

Follow us at: twitter.com/DeutschePostDHL

DHL – The logistics company for the world

DHL is the leading global brand in the logistics industry. Our DHL family of divisions offer an unrivalled portfolio of logistics services ranging from national and international parcel delivery, e-commerce shipping and fulfillment solutions, international express, road, air and ocean transport to industrial supply chain management. With about 380,000 employees in more than 220 countries and territories worldwide, DHL connects people and businesses securely and reliably, enabling global trade flows. With specialized solutions for growth markets and industries including technology, life sciences and healthcare, energy, automotive and retail, a proven commitment to corporate responsibility and an unrivalled presence in developing markets, DHL is decisively positioned as “The logistics company for the world”.

DHL is part of Deutsche Post DHL Group. The Group generated revenues of more than 61 billion euros in 2018.