

Export trends and market implications

February 2025

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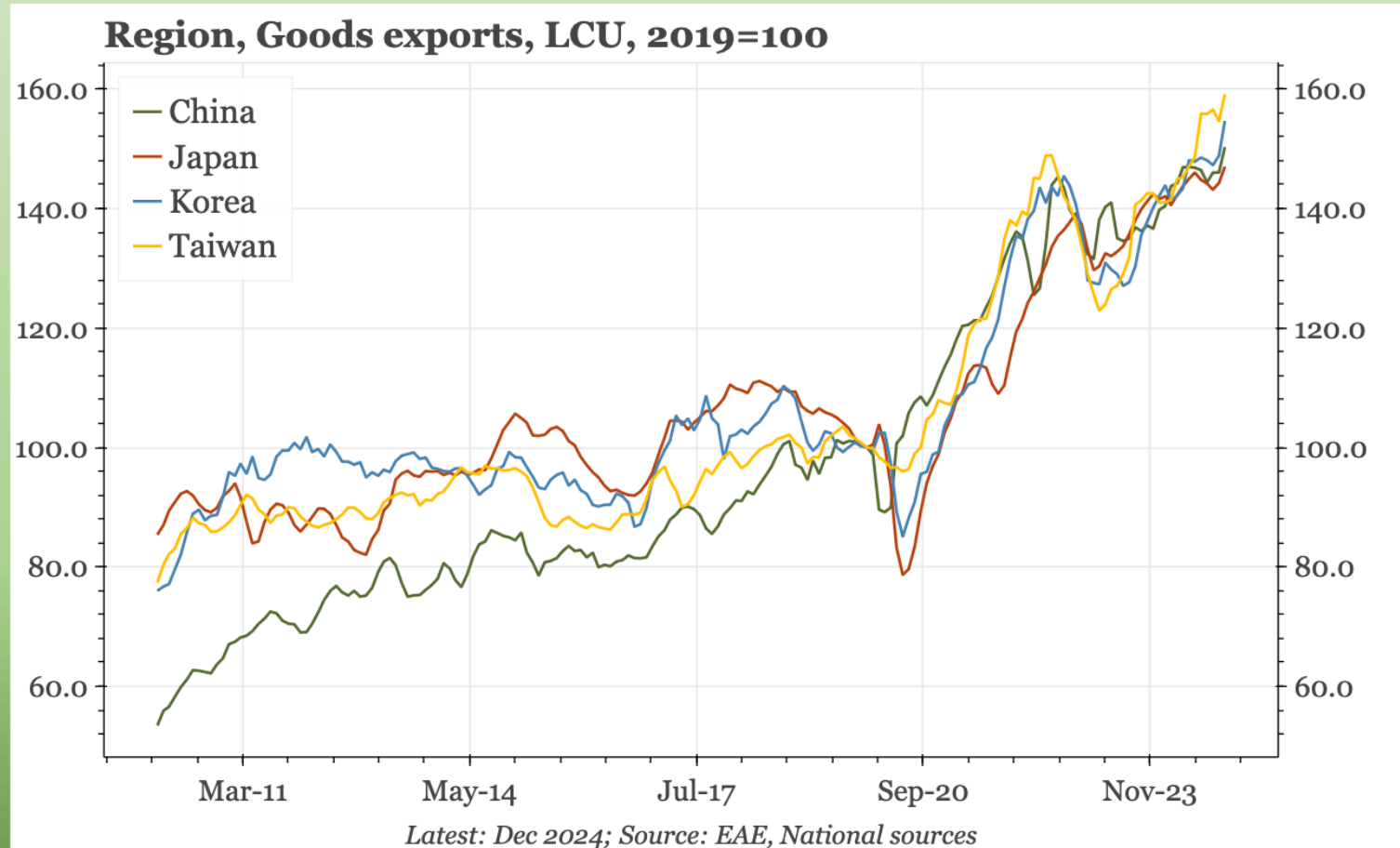
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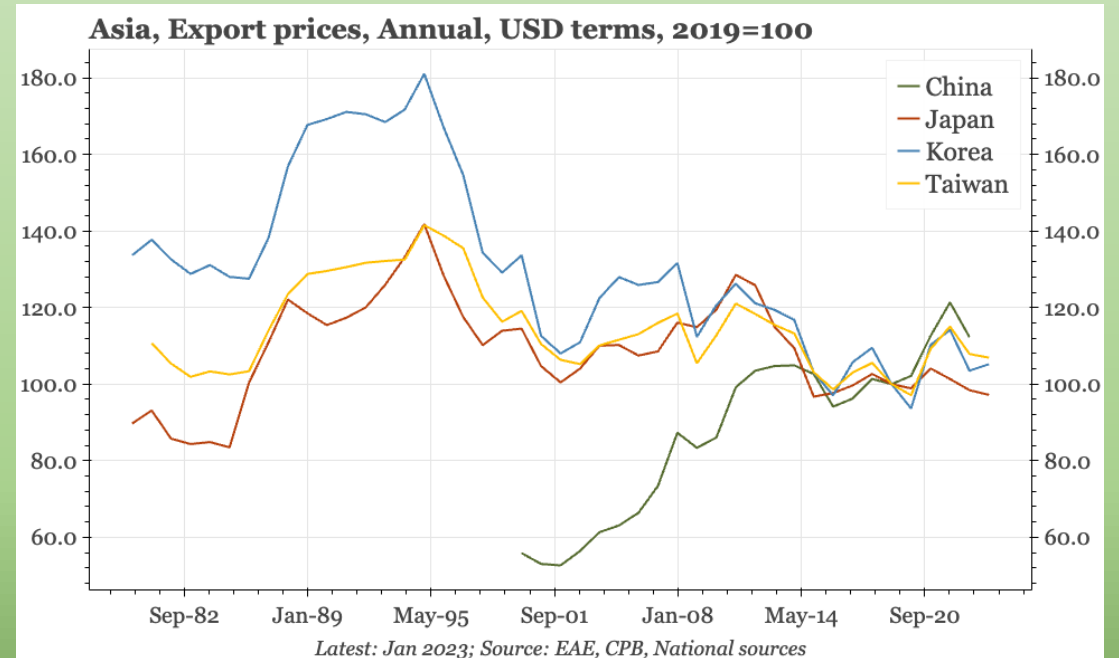
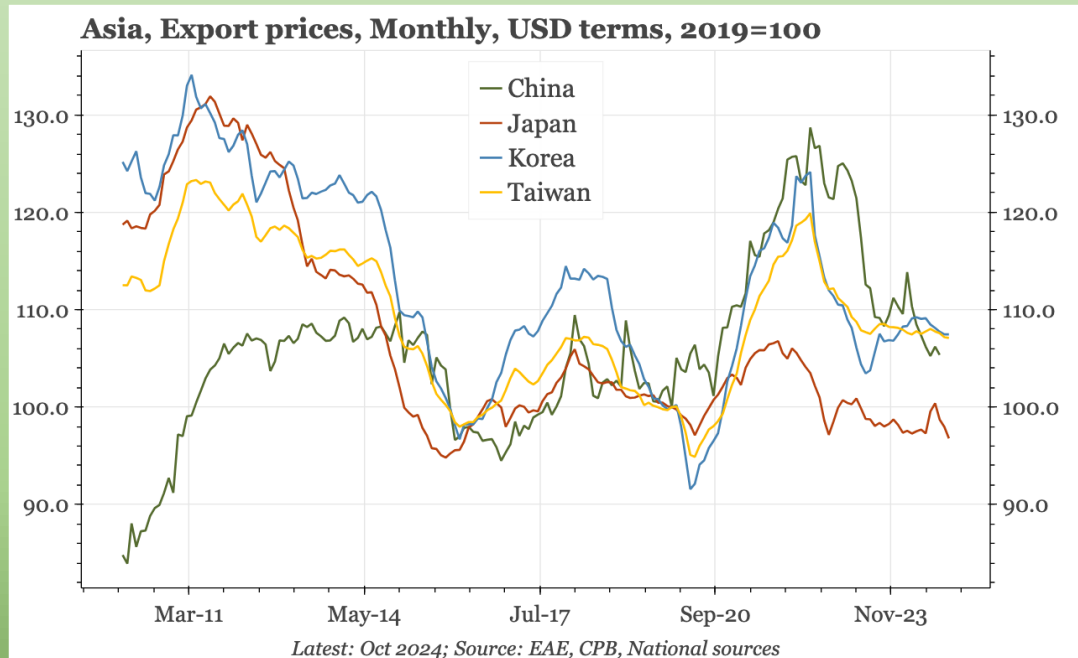
Region

Same outcome, two strategies

In local currency terms, exports surge everywhere...

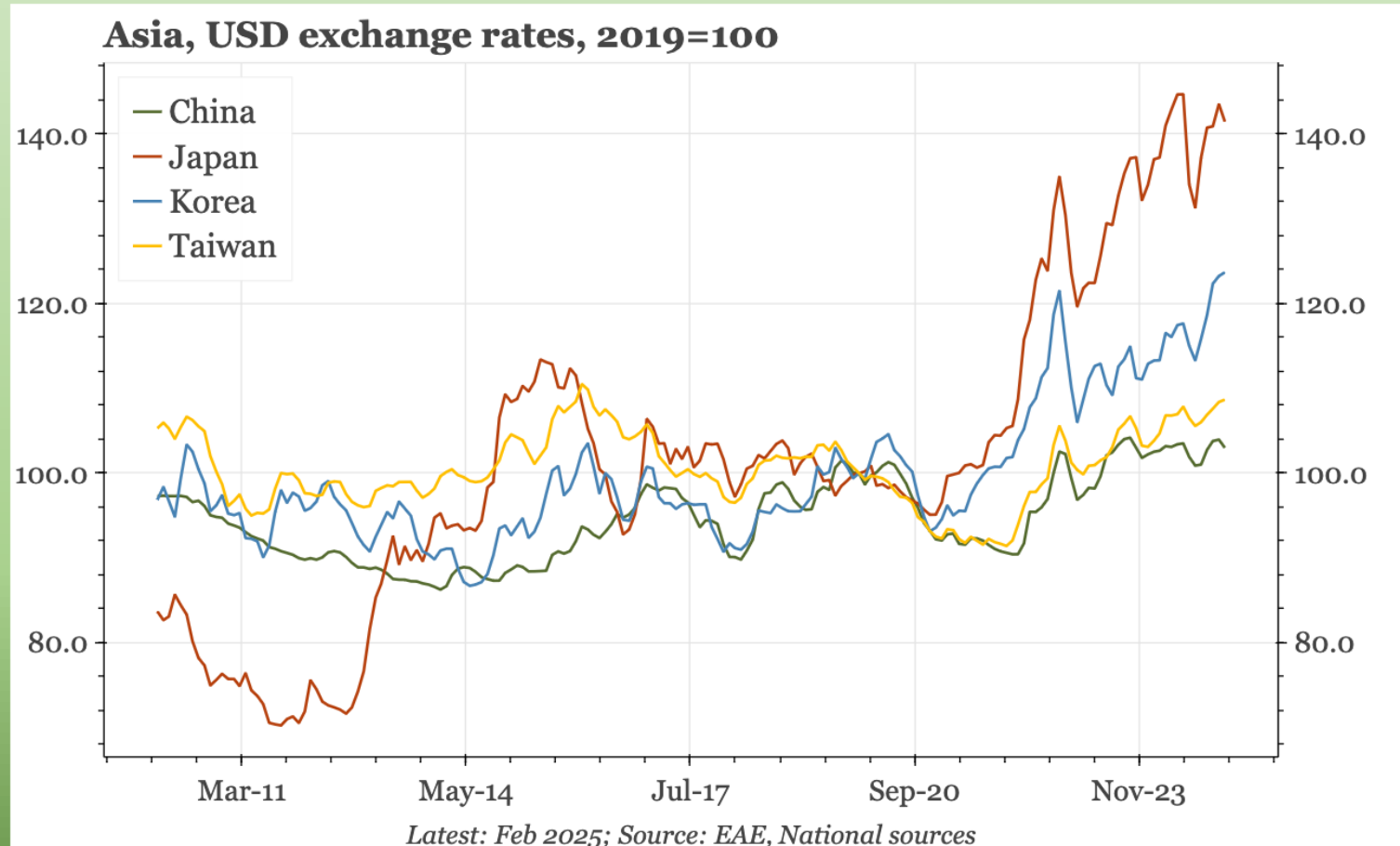


...with little change in USD prices



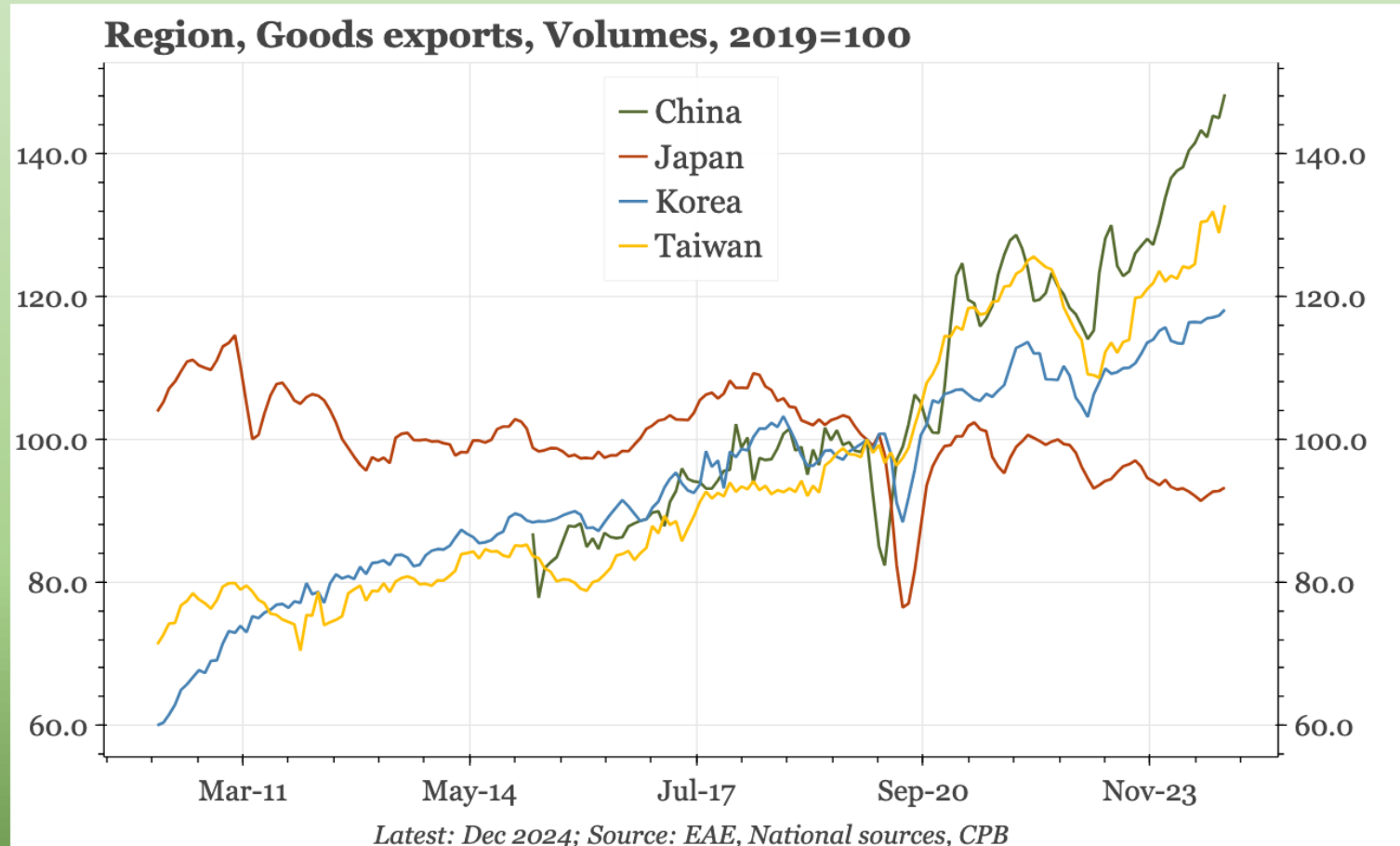
Two distinct strategies

1. Japan: Currency weakness



Two distinct strategies

2. China: Volume strength

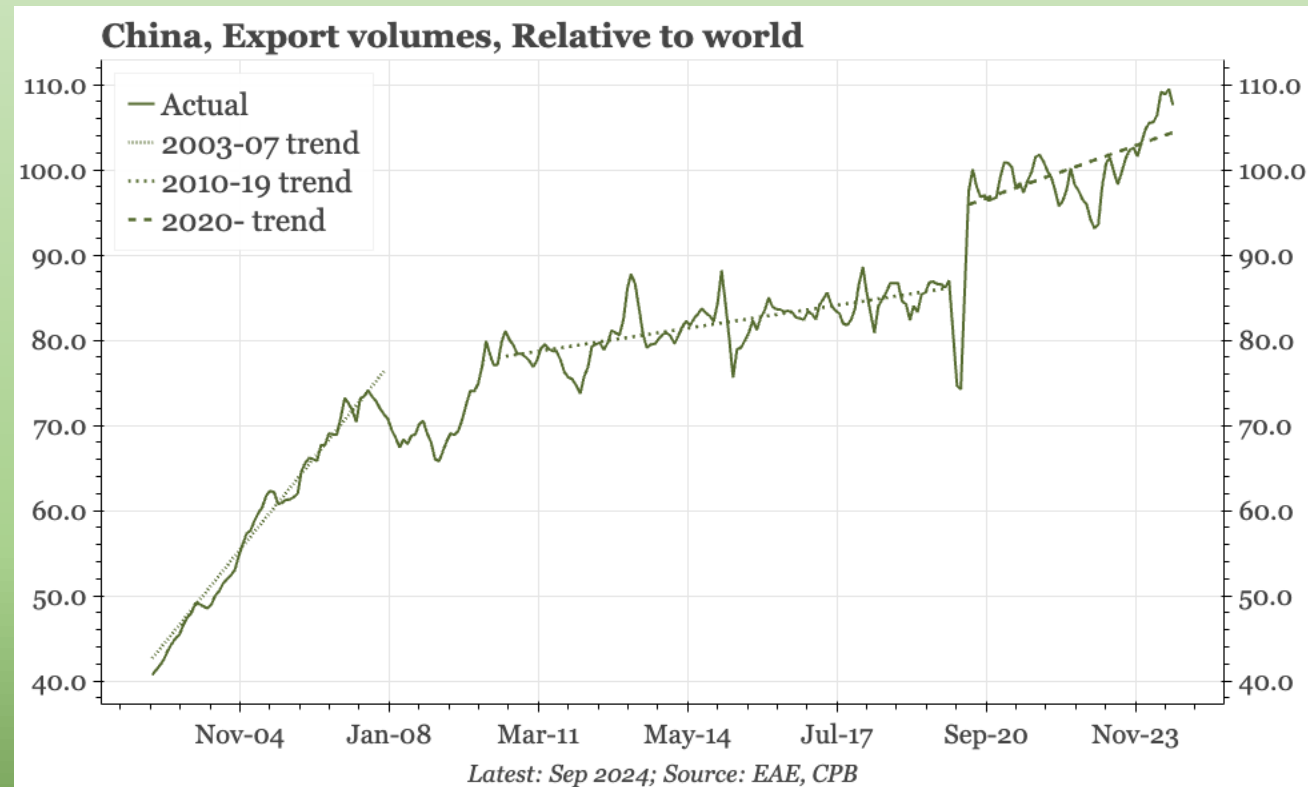


China

Exports performance strong and broad; imports weak

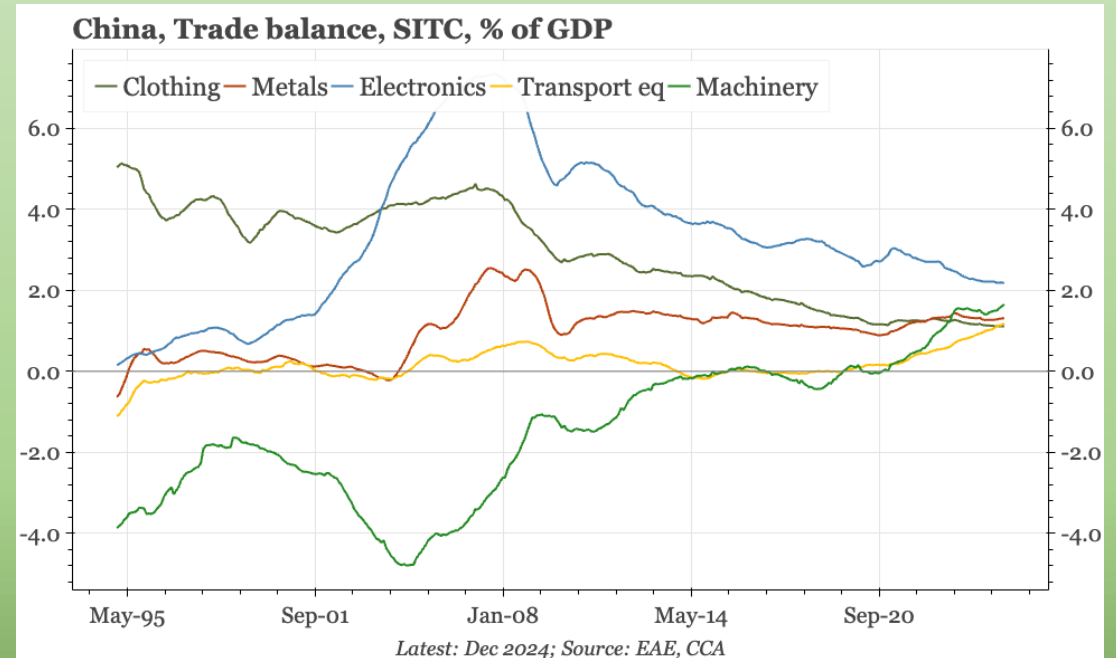
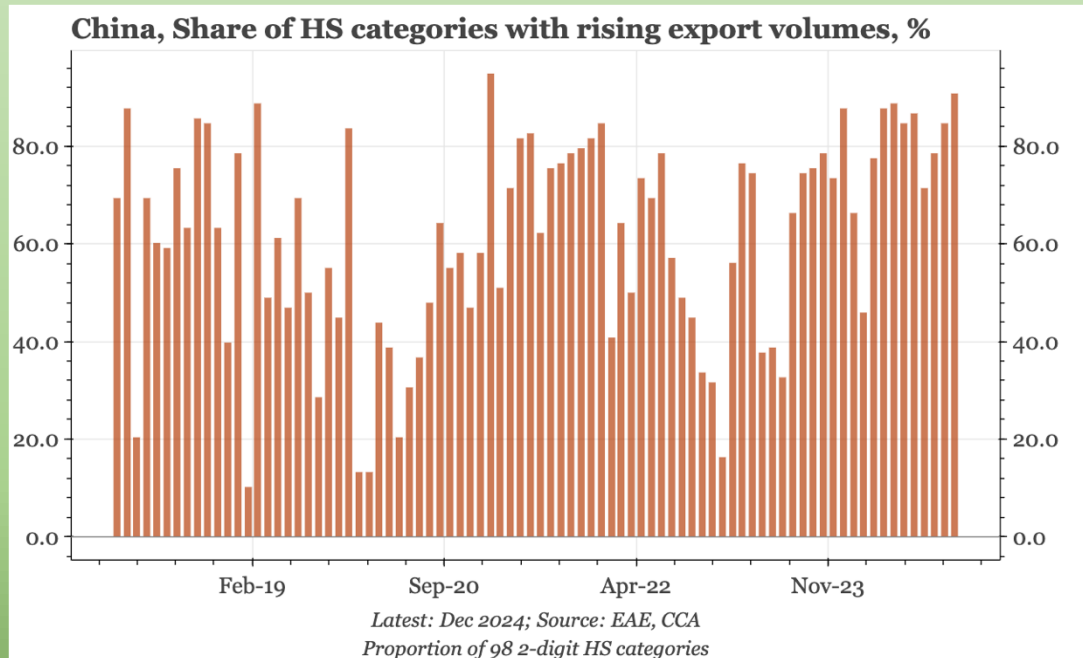
Export volumes

Stronger than any time since WTO entry



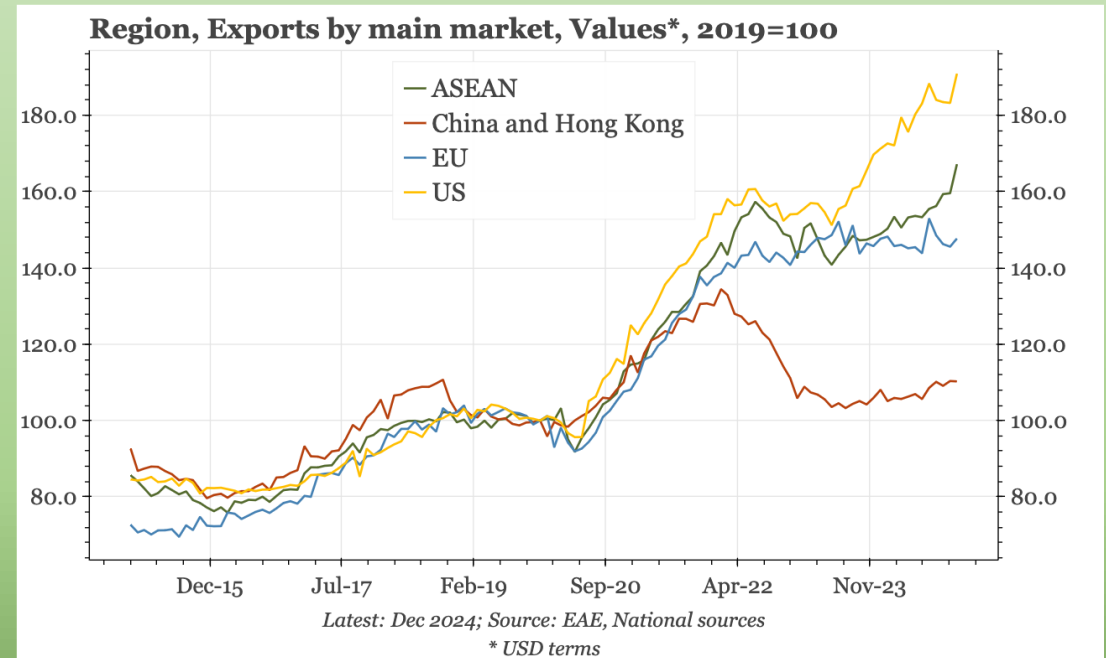
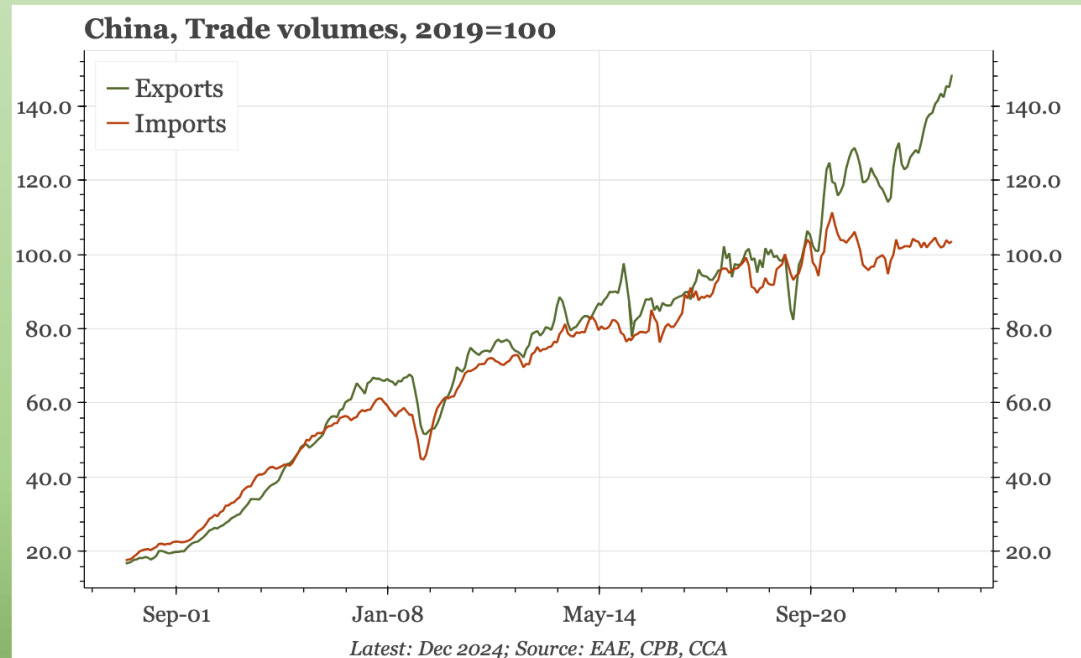
Export volumes

Growth is broad-based



Imports

As weak as exports are strong



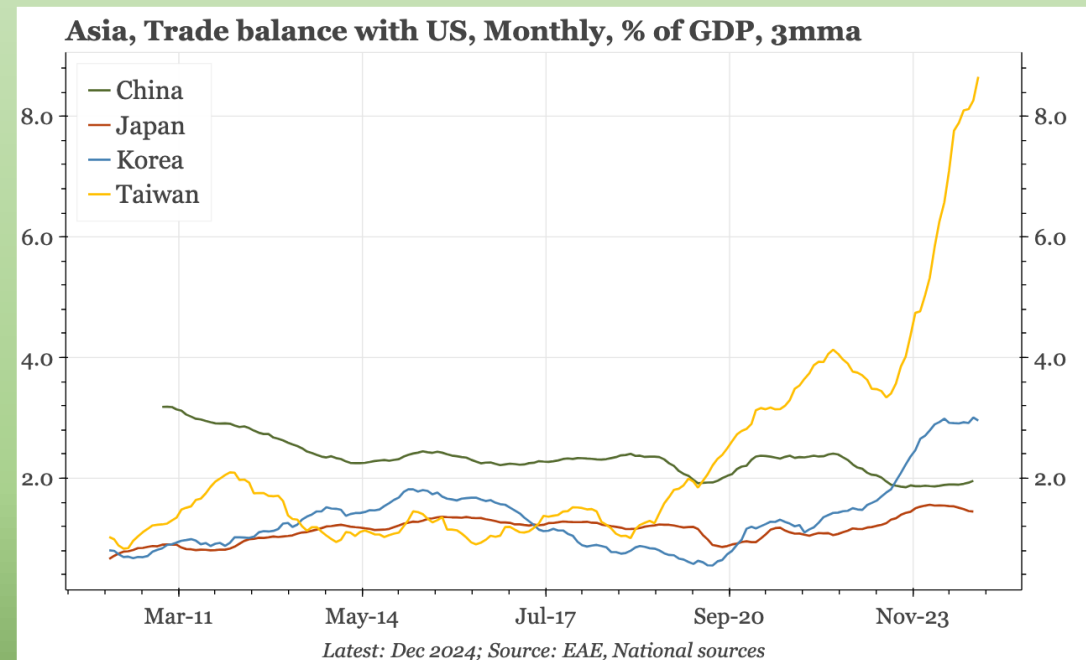
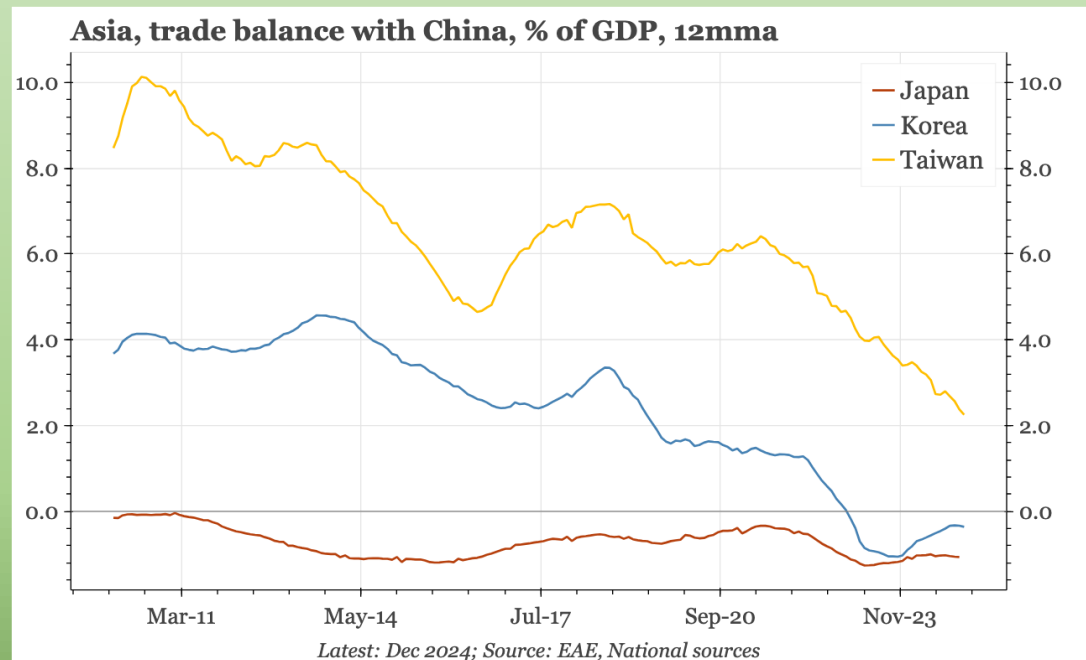
Imports

That has implications for regional demand..



Trade balance

...and for regional trade balances

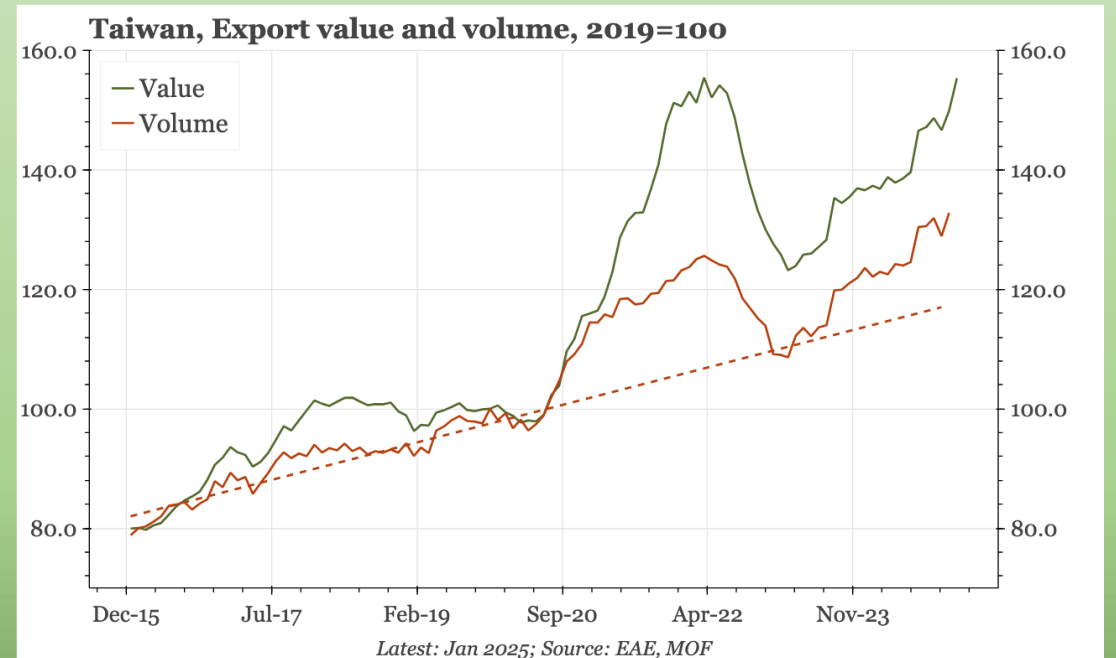
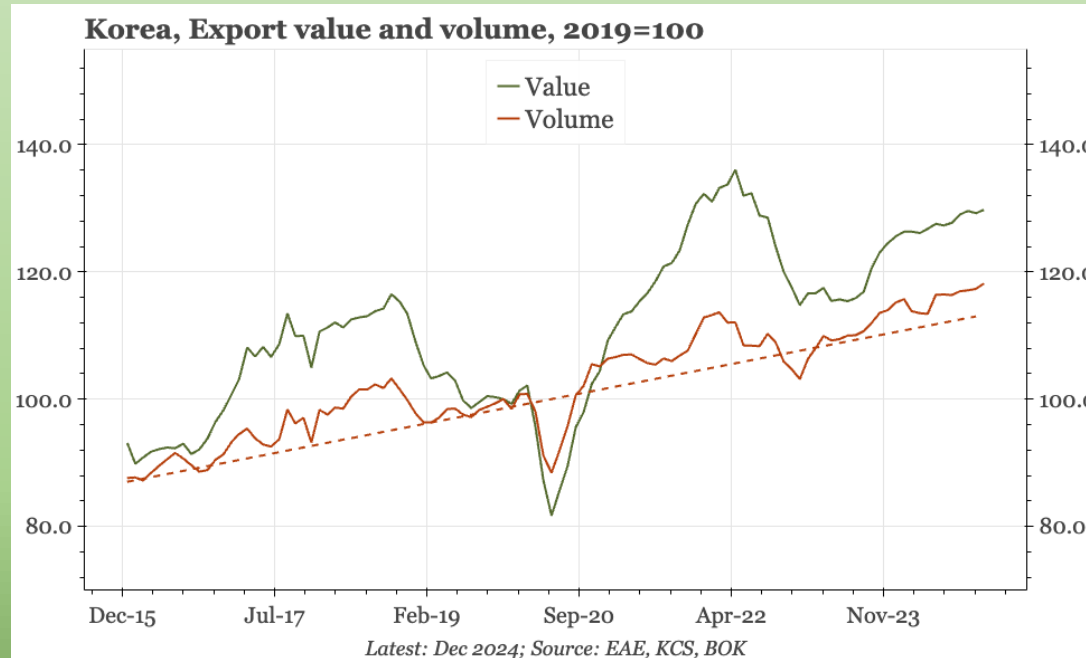


Korea and Taiwan

Semi strong, but not much else

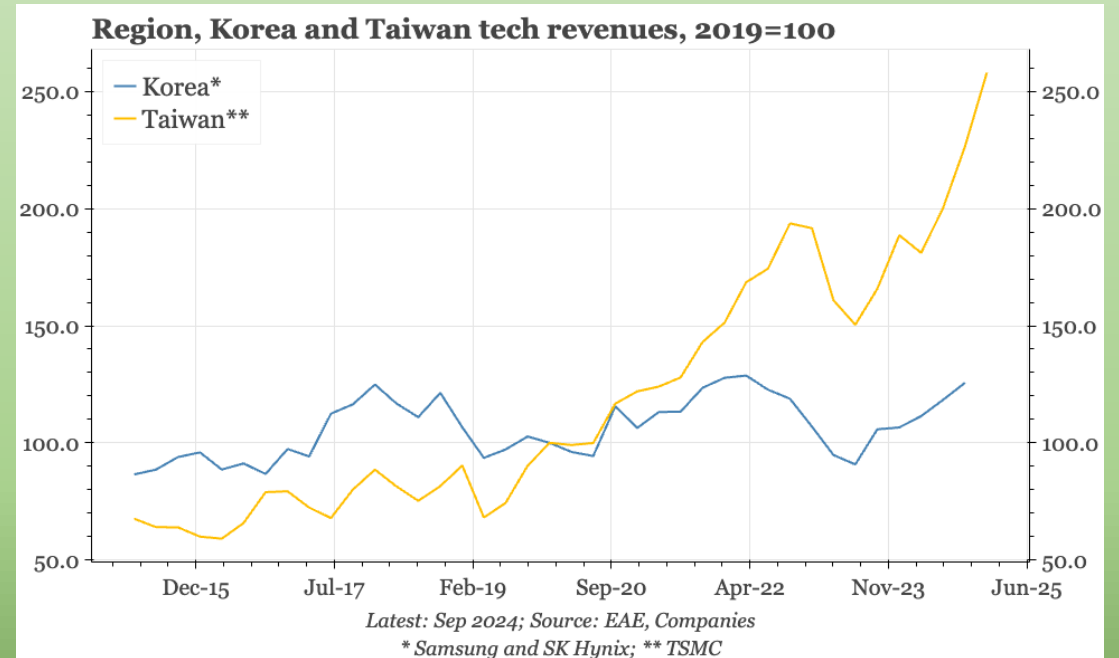
Two different stories

Taiwan takes off



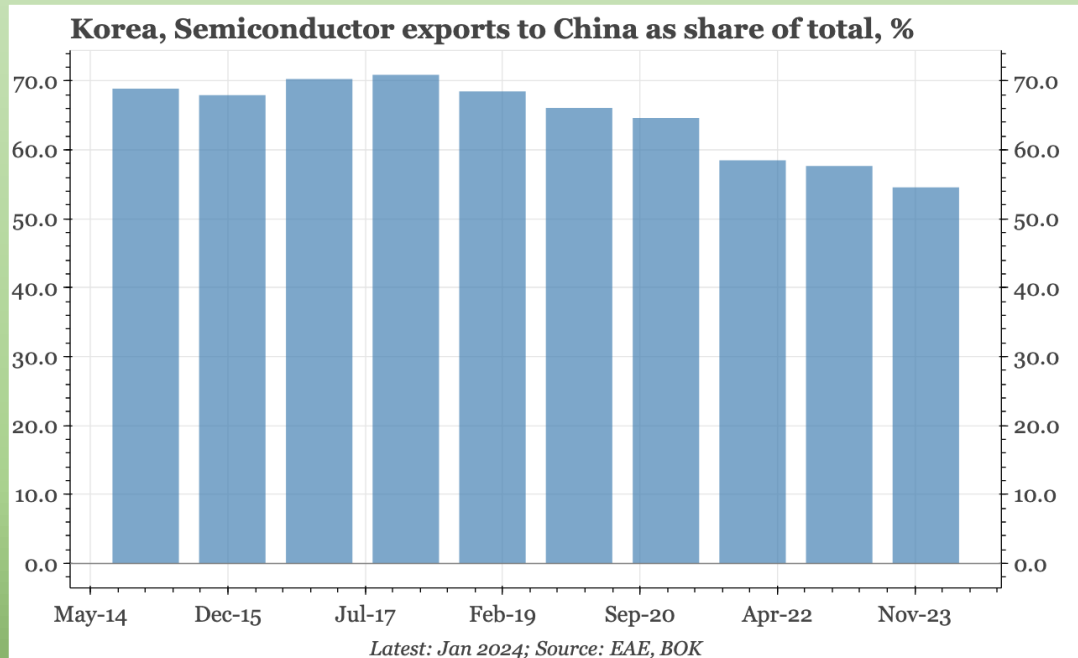
Korea's first headwind: semi struggles

TSMC surges, Samsung slumps



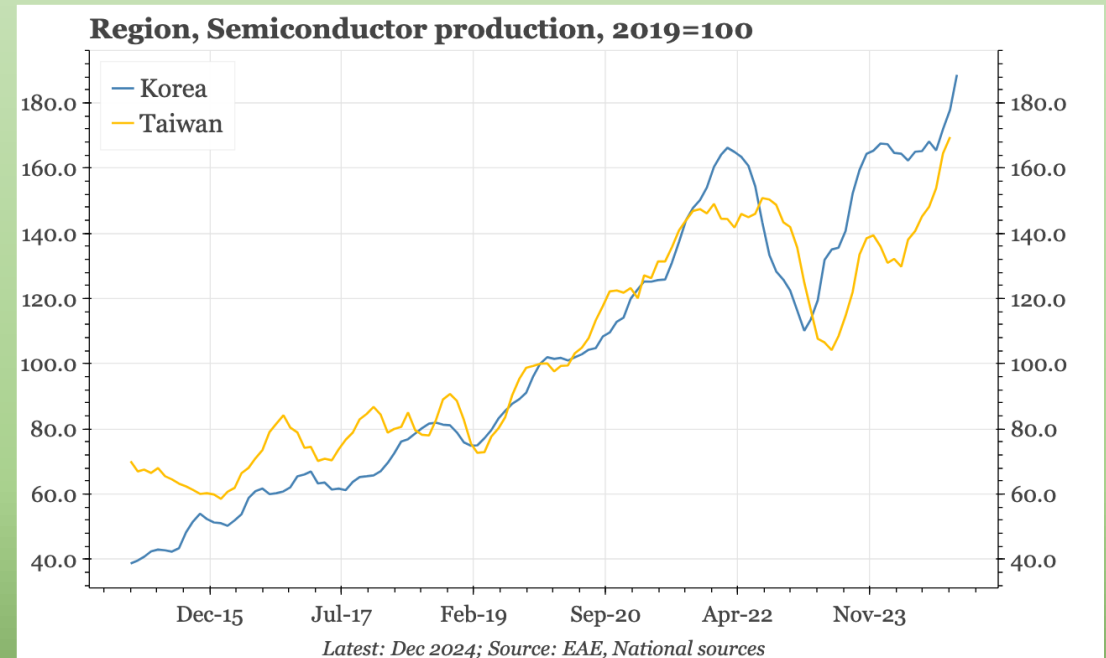
Korea's first headwind: semi struggles

Losing China share, becoming supplier to Taiwan



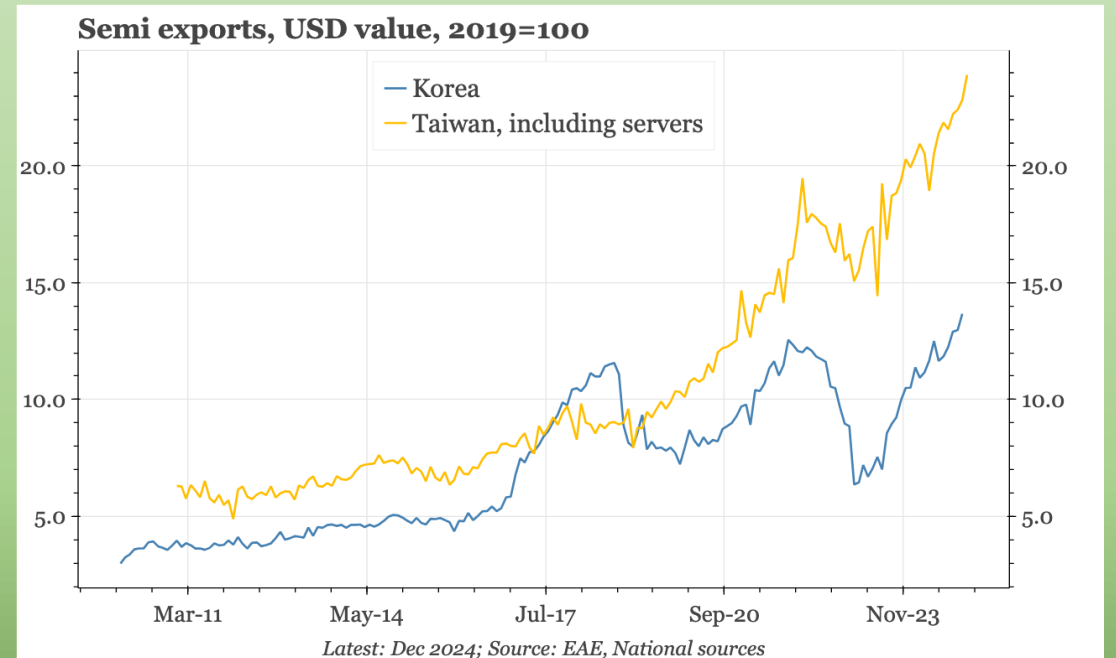
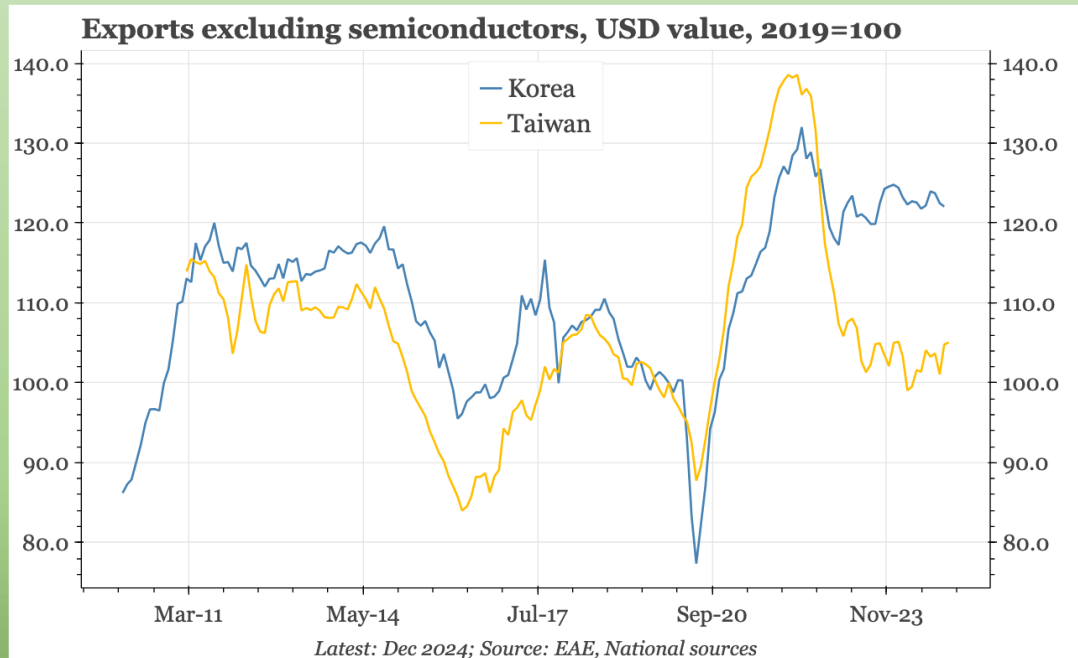
Korea's first headwind: semi struggles

Output fine, prices weak



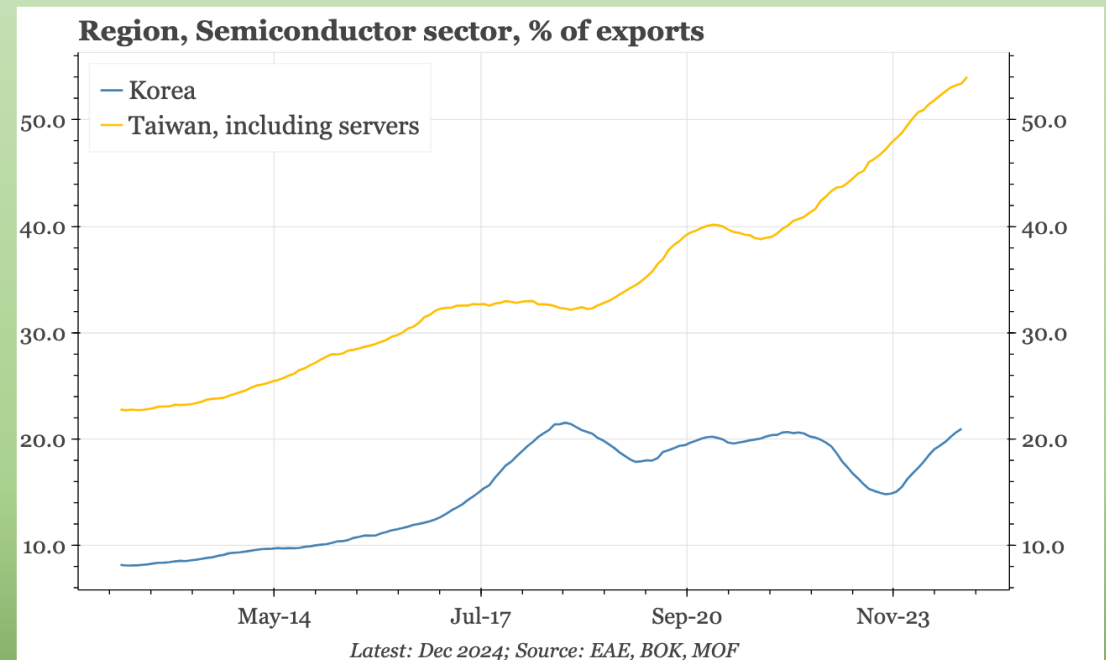
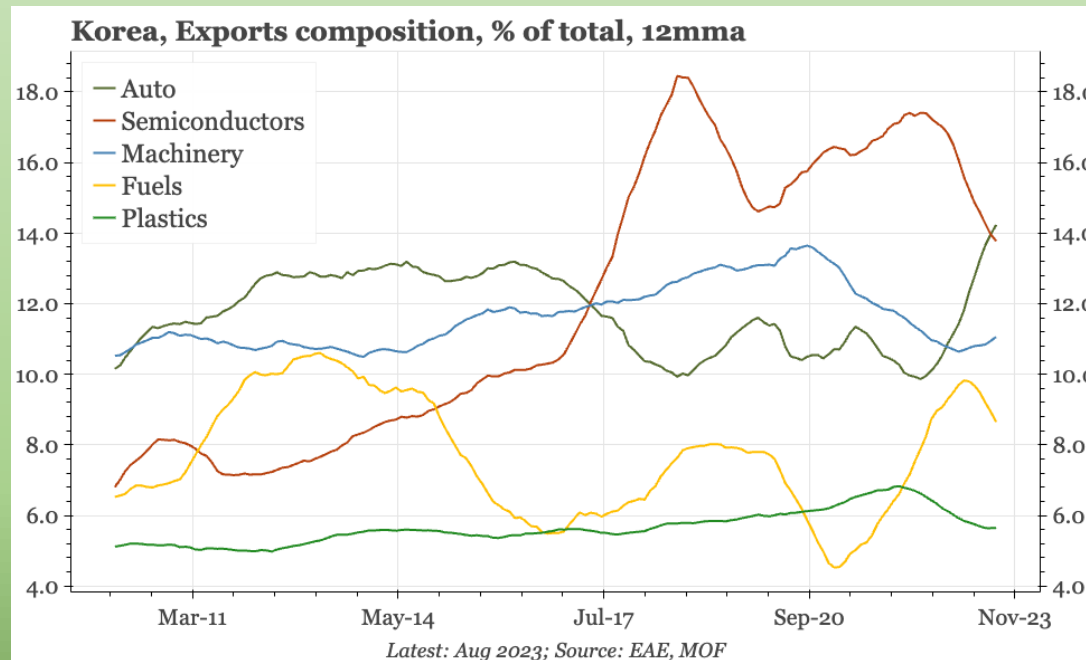
Korea's second headwind: non-tech weakness

Since 2023, only semi exports grow

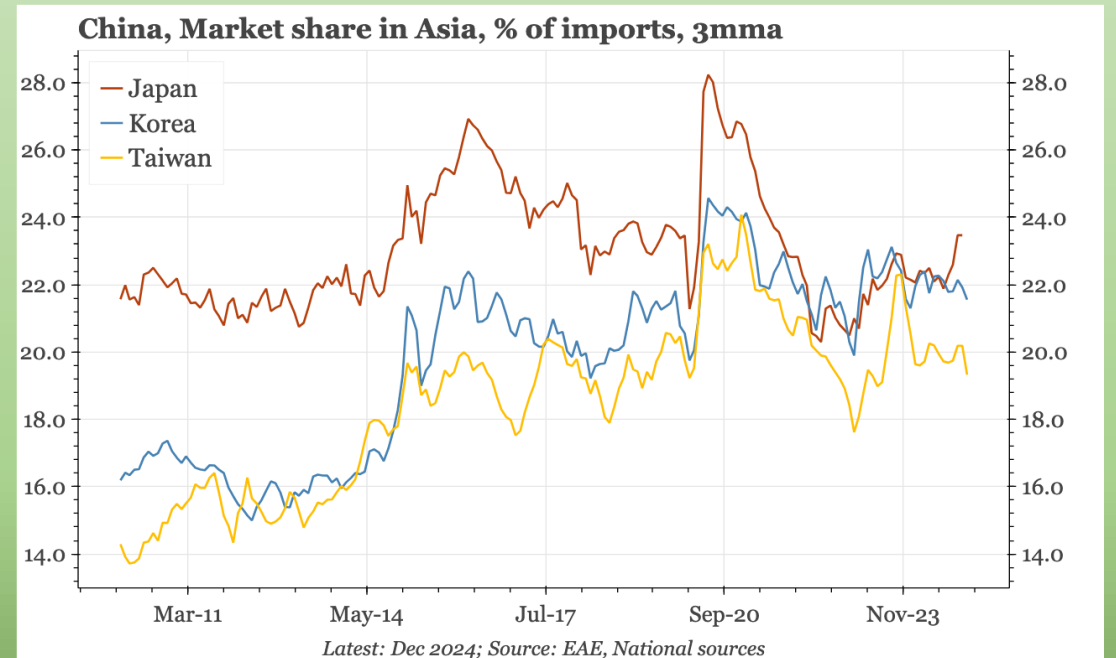


Korea's second headwind: non-tech weakness

Non-tech matters more in Korea...

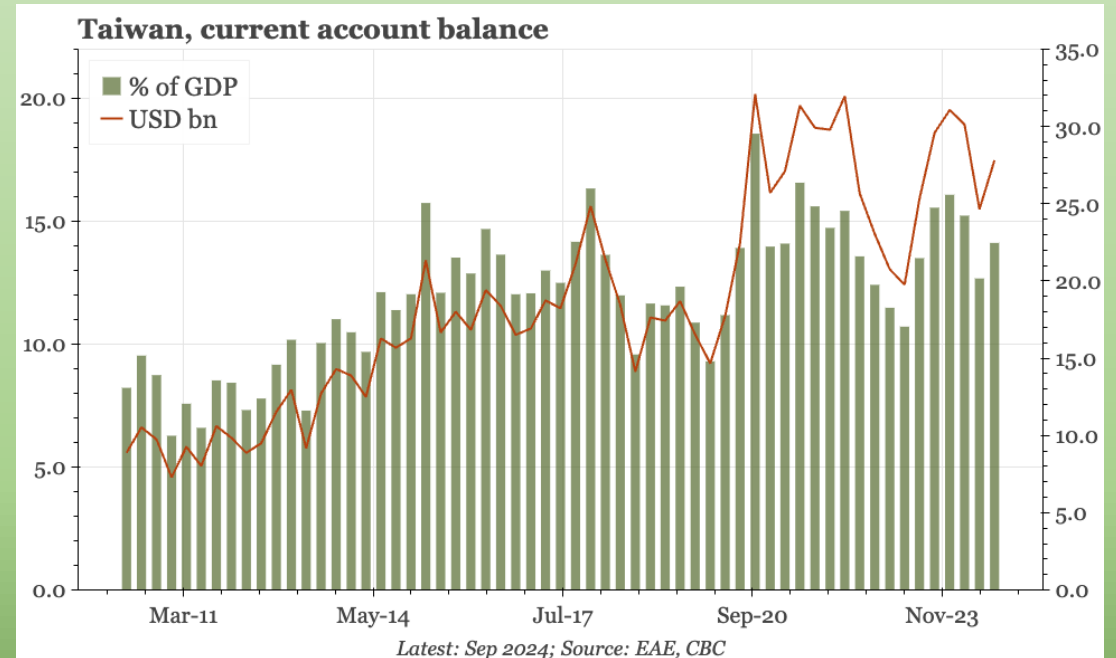
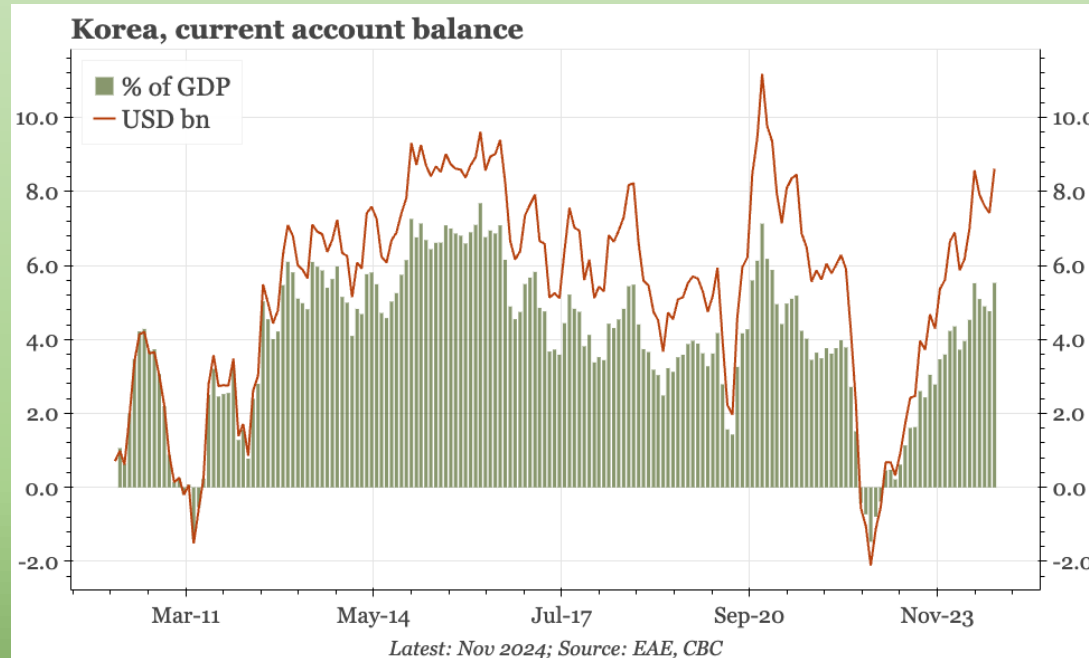


Korea's second headwind: non-tech weakness and Korea is losing market share in China...



External balances

Korea's surplus is big and volatile...Taiwan's is enormous and structural





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