

## Global Trade to Hit Record \$33 Trillion in 2024 Amid Growing Uncertainty

Global trade is nicely placed to reach an unprecedented \$33 trillion in 2024, buoyed by robust growth in services and goods, as per the UNCTAD's *Global Trade Update*. This marks a \$1 trillion increase over 2023, with services trade contributing significantly, surging by 7% and accounting for half of the expansion. While goods trade grew by a margin of 2%, it remained sufficiently below its 2022 peak.

Despite this promising growth, the outlook for 2025 is clouded by uncertainties stemming from potential policy shifts in the United States, including the possibility of broader tariffs under the incoming administration. These measures could disrupt global value chains, triggering retaliation and impacting economies heavily reliant on trade with the US, such as China, India, the European Union, and Vietnam.

Primarily the developed economies have led the growth in the third quarter (Q3) of 2024, lifted by shuttle demand and favourable business scenarios. In contrast, developing economies faced challenges, including declining South-South trade and contracting imports. Key sectors like energy and metals trade also saw declines, while high-growth areas such as ICT and apparel recorded double-digit growth.

UNCTAD Secretary-General Rebeca Grynspan laid stress on the necessity of a strategic policy action to amplify trade diversification and to aid the developing economies in channelising the uncertainties surrounding the global economy. Coordinated efforts are essential to reduce dependencies and strengthen market links for sustainable development.

To read more analysis on the global growth scenario, head to [Economicstaan Explainers](#).