

17 August 2022 (No. of pages: 3)

Japanese report: 17 Aug 2022

# July 2022 Trade Statistics

## Export value exceeds market expectations with motor vehicle exports back on track

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### Summary

- According to July 2022 trade statistics, export value grew for the seventeenth consecutive month at +19.0% y/y, exceeding market consensus at +17.6%. As supply constraints eased up, export recovery in motor vehicles progressed. On the other hand, import value rose significantly at +47.2% y/y. As a result, the trade balance was in the red for the twelfth consecutive month at -1,436.8 bil yen, a historic high of -2,133.3 bil yen in seasonally adjusted terms.
- Export volume in July (seasonally adjusted by DIR) marked time in comparison with the previous month. While motor vehicle exports recovered due to the easing up of supply constraints, exports of intermediate goods to the US brought downward pressure on overall performance. Looking at export volume by source of demand, exports to the EU were up by +7.4% m/m, with Asia up by +1.4%, while export volume to the US shifted into decline at -4.1%.
- Export volume is expected to move toward moderate growth in the future. The normalization of China's economy is expected to bring progress in mitigation of the difficulty of procuring parts, and motor vehicle exports, along with intermediate goods and capital goods, will likely continue to get back on track. On the other hand, there is a slowdown in consumption of goods in the US and monetary tightening has commenced in Europe, where there is also uncertainty regarding energy supplies. China remains on the alert in regard to the possible resurgence of COVID-19 infections. Major unknown factors affecting overseas demand continue to be a concern, hence caution is required.

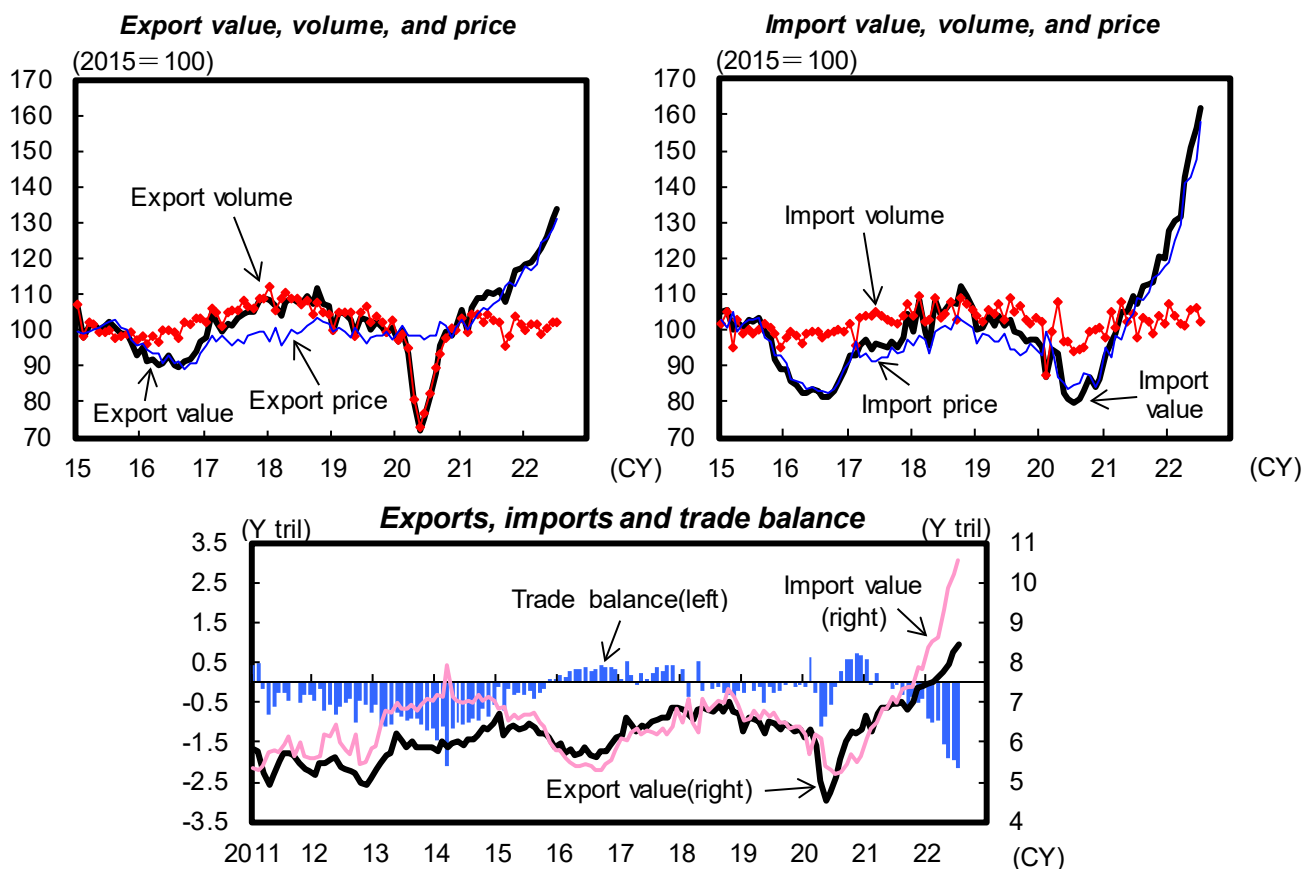
**Trade Statistics** **Chart 1**

	2021		2022						
	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Export value (y/y %)	20.5	17.5	9.6	19.1	14.7	12.5	15.8	19.3	19.0
Market consensus (Bloomberg)									17.6
DIR estimate									18.0
Import value (y/y %)	43.8	41.2	38.8	34.2	31.4	28.4	49.0	46.1	47.2
Export volume (y/y %)	4.7	2.0	-4.0	2.7	-1.4	-4.4	-3.5	-1.5	-2.0
Export price (y/y %)	15.1	15.2	14.1	15.9	16.3	17.7	20.0	21.1	21.5
Import volume (y/y %)	6.1	1.0	4.8	-0.9	0.0	-9.0	4.7	1.3	2.3
Import price (y/y %)	-0.0	-0.0	32.4	35.3	-0.0	41.1	42.3	44.2	44.0
Trade balance (Y100 mil)	-9,569	-5,889	-21,994	-6,772	-4,240	-8,538	-23,906	-13,985	-14,368
Export value (SA, m/m %)	4.7	0.6	0.7	0.5	1.8	1.6	2.6	4.0	2.1
Export volume (SA, m/m %)	5.8	-2.2	-1.3	1.6	0.0	-3.0	1.7	1.5	-0.0
Export price (SA, m/m %)	-1.0	2.9	2.0	-1.1	1.8	4.8	0.8	2.4	2.1
Import value (SA, m/m %)	6.2	-0.3	6.7	1.8	1.1	8.2	5.8	3.7	3.5
Import volume (SA, m/m %)	5.2	-2.3	5.4	-3.0	-2.4	-0.5	4.4	0.3	-3.3
Import price (SA, m/m %)	1.0	2.0	1.2	4.9	3.6	8.7	1.3	3.3	7.0
Trade balance (SA, Y100 mil)	-5,029	-4,300	-9,022	-10,195	-9,791	-15,591	-19,016	-19,500	-21,333
The Japan Customs rate (yen/dlr)	113.95	113.95	114.82	114.84	115.86	122.84	129.17	130.35	136.05

Source: Ministry of Finance, Bloomberg; compiled by DIR.

Note: Volume and price seasonally adjusted by DIR.

**Export (Value, Volume and Price), Import (Value, Volume and Price) and Trade Balance** **Chart 2**

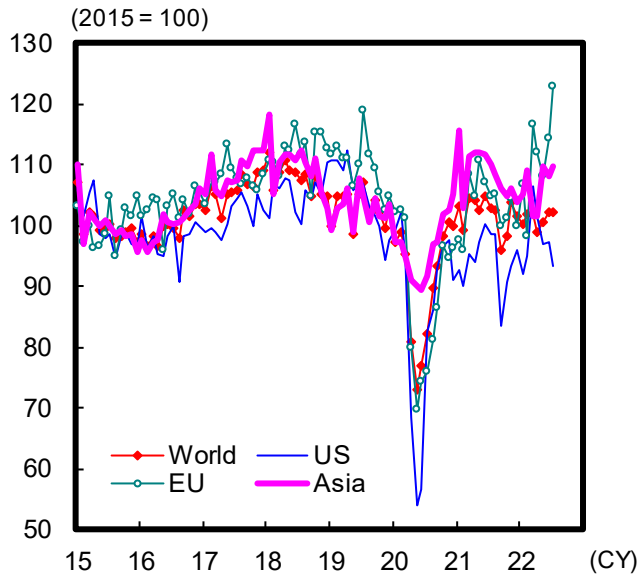


Source: Ministry of Finance; compiled by DIR.

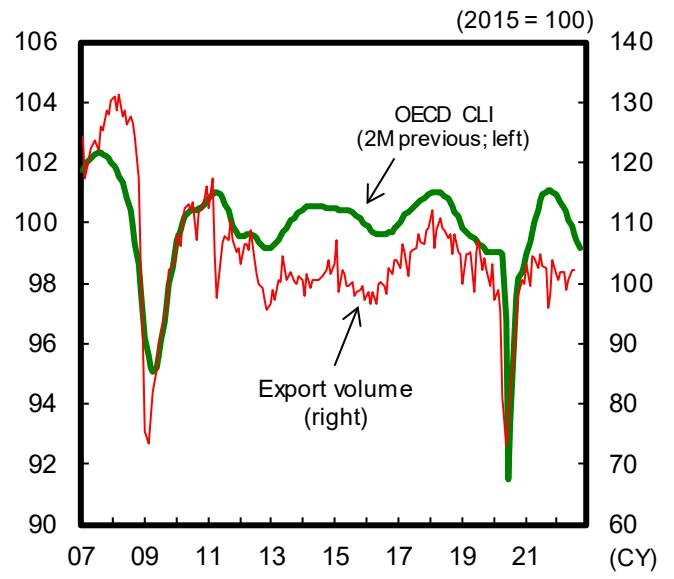
Note: Export volume and export price seasonally adjusted by DIR.

Export Volume by Trade Partner; Global Economy and Japan's Export Volume Chart 3

**Export volume by trading partner**



**Global economy and Japan's export volume**



Source: Ministry of Finance; OECD; compiled by DIR.  
 Notes: 1) OECD CLI (Composite Leading Indicator): OECD member and six non-member countries.  
 2) Export volume seasonally adjusted by DIR.