

WTO Raises 2026 Global Trade Forecast as AI Boom Offsets Middle East Conflict Disruptions

Global trade proved more resilient than expected in the first half of 2026 despite the disruption caused by the Middle East conflict, as supply chains adapted and strong investment in artificial intelligence provided a powerful boost to goods trade. However, the resilience was not uniform, with services trade and some regions more exposed to the effects of the conflict. WTO economists have therefore raised the forecast for merchandise trade growth in 2026 while lowering the outlook for services trade.

- **Global merchandise trade forecast for 2026 increased from 1.9% to 3.9%**, with growth expected to reach **4.1% in 2027**.
- **AI-driven investment** in semiconductors, servers, and related infrastructure is the biggest growth driver, accounting for **47% of global merchandise trade growth** in the first half of 2026.
- **Supply chains proved resilient** despite disruptions caused by the Middle East conflict, adapting through alternative suppliers, ports, and shipping routes.
- Middle East disruptions significantly reduced regional exports of **oil (-24%)** and **LNG (-47%)**, but alternative producers helped stabilize global supplies.
- Global container shipping remained strong, with **container throughput rising 3.9%** through July 2026.
- **Services trade outlook was downgraded**, with growth forecast reduced from **4.8% to 3.3%** for 2026.
- Transport and tourism sectors suffered from higher energy costs, disrupted shipping and aviation routes, and weaker travel demand.
- International tourist arrivals fell **0.8% in Q2 2026**, showing the impact of the conflict on global travel.
- **Digitally delivered services remained strong**, with computer services exports increasing by **18% in Q1** and an estimated **12% in Q2 2026**.
- Regional merchandise export growth in 2026 is expected to be strongest in:
 - **Asia: 9.9%**
 - **North America: 5.7%**
 - **Africa: 5.6%**

- The **Middle East (-17.2%)** and **CIS (-3.9%)** are expected to see the largest export declines.
- For services exports, **Europe is projected to lead growth (4.6%)**, contributing more than half of global services export expansion in 2026.
- WTO Director-General **Ngozi Okonjo-Iweala** emphasized that a rules-based trading system helps economies absorb shocks and maintain essential trade flows.

[<Global Trade Outlook and Statistics>](#)

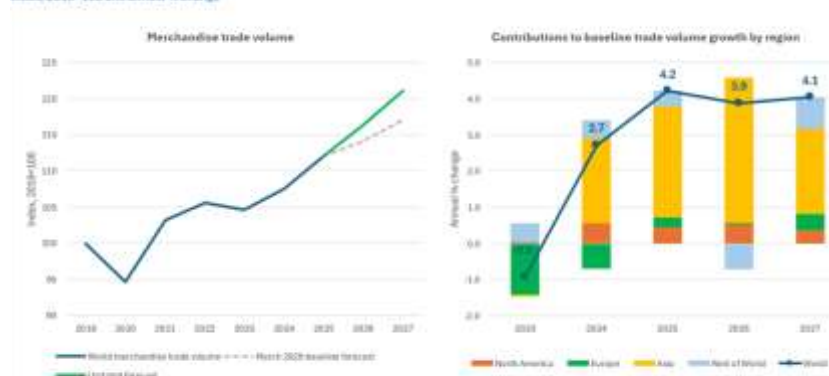
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According to the latest "**Global Trade Outlook and Statistics**" released on 8 October, merchandise trade volume is now expected to grow by 3.9% in 2026, up from the March forecast of 1.9%, before increasing further to 4.1% in 2027 (see Chart 1). The revision reflects evidence that global supply chains adapted to disruptions in energy and fertilizer markets, while strong investment in AI-related infrastructure boosted trade in AI-enabling goods. Commercial services trade growth is expected to remain positive, although prospects have moderated due to the impact of the Middle East conflict on transport and international travel. Services trade volume is expected to grow by 3.3% in 2026, down from 4.8% in the March forecast, before rising by 6.4% in 2027.

Director-General Ngozi Okonjo-Iweala said: "The numbers reflect trade resilience in action. When disruptions strike, an integrated world economy and a rules-based trading system provide economies flexibility to keep essential products flowing to businesses and households that need them. Nevertheless, some have felt the shock more than others, and not everyone can access emerging opportunities like AI. It is essential to ensure that the rules-based trading system continues to absorb shocks and bridge gaps so that opportunities are open to all."

Chart 1: World merchandise trade volume growth, 2019-2027

Index, 2019=100 and annual % change



Note: Trade refers to average of exports and imports. Figures for 2026 and 2027 are projections. Sources: WTO for historical trade statistics; WTO Secretariat estimates for trade forecasts.

Growth drivers in the first half of 2026

Merchandise trade volume grew by 3.5% in the first half of 2026, exceeding expectations despite the disruption caused by the Middle East conflict. The performance reflected the ability of supply chains to adapt to shocks affecting energy, fertilizer and transport markets. Although crude oil exports from the Middle East fell by roughly 24% and liquefied natural gas (LNG) exports by 47% in the first half of 2026, increased shipments from other suppliers helped limit the decline in global exports to around 6% for crude oil and just 1% for LNG. Fertilizer markets also adjusted despite severe disruption, with global imports of nitrogenous fertilizers only 2.8% below recent averages and phosphatic fertilizer imports 2.2% higher as alternative suppliers stepped in. Meanwhile, trade flows were rerouted through alternative ports and corridors. Global container throughput remained resilient, rising 3.9% year-to-date through July.

Strong demand linked to AI investment more than offset the negative effects of the conflict in the Middle East. Demand for AI-enabling goods such as semiconductors and servers accounted for 47% of global merchandise trade growth in the first half of 2026, and trade in these products rose by 67% year-on-year, accelerating from the already rapid expansion seen in 2024 and 2025.

Commercial services trade grew by 14% year-on-year in value terms in the first quarter of 2026 and 10% in the second quarter. Growth slowed in the second quarter as the Middle East conflict disrupted transport and travel services, two sectors that depend heavily on the region's role as a global hub. Transport services were affected by the reorganization of shipping routes and sharply higher freight costs. Travellers' expenditure abroad increased by just 5% year-on-year in the second quarter, down from 15% in the first quarter. International tourist arrivals fell by 0.8% in the second quarter and were only 0.4% higher in the first half of the year overall according to data from the United Nations World Tourism Organization, reflecting a contraction in international tourist arrivals.

Despite these headwinds, other commercial services, particularly digitally delivered services, remained comparatively resilient and continued to support overall services trade growth. Computer services exports, one of the fastest-growing segments of services trade, rose by 18% year-on-year in the first quarter and an estimated 12% in the second quarter, helping to offset weakness in transport and travel services. Financial services exports likewise grew, by 14% year-on-year in the second quarter.

The report includes an analytical chapter on trade in AI-enabling goods, examining how the AI investment boom is reshaping global trade patterns, regional specialization and the geography of demand and supply.

Merchandise trade projections

Given stronger-than-expected merchandise trade growth in the first half of 2026, WTO economists now expect world merchandise trade volume to increase by 3.9% in 2026 and 4.1% in 2027, while global GDP growth is forecast at 2.6% and 2.9%, respectively (see Table 1).

AI-related investment is expected to remain a major driver of merchandise trade through 2027. Global AI infrastructure spending is projected to increase by at least 30% in 2026. Current market projections suggest AI capital expenditure will continue to rise by a further 10-20% in 2027. The conflict in the Middle East is expected to weigh on trade in 2026 through higher energy prices and disruptions to transport routes.

Regional trade prospects remain uneven. In 2026, Asia is expected to record the fastest merchandise export growth (9.9%), followed by North America (5.7%), Africa (5.6%) and South America (3.4%). Export performance is projected to remain weak in Europe (-0.1%) and to contract sharply in the Commonwealth of Independent States (CIS) (-3.9%) and the Middle East (-17.2%), reflecting the impact of the ongoing conflict and associated disruptions to trade flows. On the import side, Asia (9.5%), Africa (8.9%) and the CIS (8.8%) are expected to post the strongest growth, while North America (1.4%) and Europe (0.5%) are likely to see only modest increases and the Middle East is forecast to record a steep decline (-15.4%).

Table 1: Merchandise trade volume and GDP growth, 2022-2027

Annual % change

	Historical data				March 2026 baseline forecast		Updated forecast	
	2022	2023	2024	2025	2026	2027	2026	2027
World trade ^a	2.4	-0.9	2.7	4.2	1.9	2.6	3.9	4.1
Exports								
North America	4.0	3.5	2.2	2.8	1.4	2.7	5.7	1.5
South America ^b	3.1	2.5	6.1	3.4	3.5	2.5	3.4	3.4
Europe	2.3	-2.9	-2.0	-0.5	0.5	1.9	-0.1	1.8
CIS ^c	-2.2	-3.9	4.5	0.9	1.3	-0.5	-3.9	5.3
Africa	-2.0	5.7	-1.4	5.9	1.2	2.2	5.6	-0.7
Middle East	3.9	7.9	6.3	5.2	0.6	2.6	-17.2	23.3
Asia	0.4	0.2	8.3	9.6	3.5	3.2	9.9	5.2
Imports								
North America	5.8	-2.0	4.6	2.8	0.3	3.2	1.4	2.7
South America ^b	3.9	-4.4	6.0	8.8	2.5	3.4	4.6	4.7
Europe	4.7	-4.9	-2.0	2.1	1.3	1.9	0.5	1.4
CIS ^c	-5.9	18.1	5.1	2.5	-2.0	0.1	8.8	2.2
Africa	5.9	3.0	2.1	9.5	3.2	3.7	8.9	5.3
Middle East	11.3	8.8	10.2	6.8	1.0	3.0	-15.4	17.0
Asia	-0.8	-0.6	4.7	6.8	3.3	3.1	9.5	5.6
GDP at market exchange rates								
World	3.5	2.8	2.9	3.0	2.8	2.8	2.6	2.9
North America	2.7	2.8	2.7	2.0	2.3	2.0	2.0	2.1
South America ^b	4.3	2.0	2.5	2.9	2.4	2.9	2.5	2.7
Europe	3.8	0.7	1.3	1.6	1.6	1.8	1.3	1.4
CIS ^c	-0.1	4.4	5.1	2.4	1.8	1.9	1.7	1.8
Africa	4.1	3.2	3.3	4.3	4.3	4.4	4.1	4.2
Middle East	7.4	2.1	2.6	2.8	3.3	3.6	-4.0	7.1
Asia	3.5	4.2	4.1	4.4	3.9	3.7	4.3	3.9
Memo items:								
World trade excluding intra-EU	2.3	-0.2	4.0	5.1	2.0	2.6	4.1	4.7
Exports of Europe excluding intra-EU	0.5	-1.8	-1.7	-1.0	0.0	2.0	0.3	2.6
Imports of Europe excluding intra-EU	7.5	-5.9	-0.7	3.7	1.7	1.9	1.4	1.8
Exports of least-developed countries	-2.1	6.1	6.2	7.2	2.9	2.8	4.2	2.6
Imports of least-developed countries	0.0	0.0	4.0	11.4	4.5	5.6	4.3	4.1
GDP of least-developed countries	4.9	3.4	3.5	3.4	3.8	4.7	3.6	4.2

a Average of exports and imports.

b Refers to South and Central America and the Caribbean.

c Refers to the Commonwealth of Independent States (CIS), including certain associate and former member states.

Note: Figures for exports of Africa, the Middle East, CIS and least-developed countries in 2025 are low quality estimates due to insufficient data and should be interpreted with caution.

Sources: WTO-UNCTAD for historical trade statistics. WTO estimates for trade forecasts. Consensus estimates are based on data from the Organisation for Economic Co-operation and Development (OECD), the World Bank, the International Monetary Fund (IMF), the United Nations (UN), national statistics and WTO calculations for GDP.

Commercial services trade projections

The outlook for commercial services trade has weakened since the March forecast as the conflict in the Middle East continues to disrupt transport and travel services. WTO economists now expect commercial services trade volume to grow by 3.3% in 2026, down from the previous forecast of 4.8%, before rebounding to 6.4% in 2027 (see Table 2).

Transport and travel are expected to record only modest growth this year, reflecting higher energy costs, disruptions to shipping and aviation routes, and reduced international travel demand. By contrast, other commercial services, including digitally delivered services, are expected to remain more resilient and continue supporting overall services trade growth.

Regional prospects for services trade vary considerably. Europe is expected to record the fastest growth in services exports in 2026 at 4.6%, followed by Asia at 4.0% and Africa at 3.1%. Growth is forecast to be more subdued in North America and the CIS, both at 1.7%, and in South and Central America and the Caribbean at 1.3%, while services exports from the Middle East are projected to contract by 10.3% as a result of the ongoing conflict.

Europe is expected to account for more than half of global services export growth this year, helping offset weaker contributions from Asia, North America and the Middle East.

Table 2: Commercial services trade volume growth, 2023-2027 ^a

Annual % change

	Historical data			March 2026 baseline forecast		Updated forecast	
	2023	2024	2025	2026	2027	2026	2027
World exports	7.5	7.8	5.3	4.8	5.1	3.3	6.4
By region							
North America	5.6	7.2	4.2	2.4	2.5	1.7	2.5
South America ^b	7.6	6.8	4.0	3.4	3.8	1.3	4.8
Europe	4.4	4.9	4.5	5.5	5.1	4.6	5.3
CIS ^c	5.2	8.2	0.4	2.7	1.2	1.7	3.0
Africa	16.5	8.5	5.9	3.7	3.4	3.1	3.5
Middle East	18.1	0.3	1.7	6.5	5.6	-10.3	21.1
Asia	12.6	15.4	8.3	4.9	6.4	4.0	8.9
By sector							
Transport	-4.2	7.3	0.5	2.6	2.8	0.9	4.6
Travel	27.2	11.7	5.2	3.9	5.5	0.2	9.2
Other commercial services	6.0	7.0	6.6	5.7	5.5	4.8	6.2
of which: Digitally delivered services	6.4	6.3	5.7	5.6	5.5	4.8	6.3

^a Figures for 2026 and 2027 are projections. Trade refers to exports.

^b Refers to South and Central America and the Caribbean.

^c Refers to the Commonwealth of Independent States (CIS), including certain associate and former member states.

Sources: WTO Secretariat estimates.