

Statement II below. The estimates are based on information concerning five* principal trading countries representing about 41 p.c. of world trade. Foodstuffs constituted an increasing proportion of total world trade from 1929 to 1932, but have since been a declining element, so that in 1937 they constituted a smaller percentage than in 1929. The same trends have applied to manufactured goods. Raw materials, on the other hand, declined in the early years of the depression but have increased to a larger proportion in 1937 than in 1929. The average prices of raw materials fell further and more rapidly than either of the other groups. Prices of foodstuffs declined more slowly, but the decline continued longer and carried the price level almost as low as that of raw materials. Prices of both of these groups rose in 1936. Prices of manufactured goods declined still more slowly and not so far as for the other groups, but the average prices of manufactured goods for the year 1936 were still at the lowest level. Prices of all three groups rose in 1937, and prices of manufactured goods continued relatively higher than those of the other two groups although the gap was further narrowed in 1937. The quantum movements of these groups were almost the reverse of their price movements. The quantum of trade in manufactured goods declined more rapidly and to a lower point than that of either of the other groups and, although it has been rising relatively more rapidly since 1932, it was still low in 1937. The quantum of raw materials did not decline so far and in 1937 was well above the 1929 level. The quantum of foodstuffs did not drop so far as either of the other groups, but the decline continued until 1934 and the rise since then has been comparatively small.

The improvement, developing since 1932 in the barter terms of trade of agricultural and mineral-producing countries, continued, although the terms of trade of these countries had deteriorated so rapidly during the early years of the depression that they still remained lower than in the years 1925-29. Such countries reached their most advantageous position since 1929 in the first half of 1937. Declining prices of primary commodities caused a deterioration in their barter terms again toward the end of the year.

* United Kingdom, United States, Germany, France, and Italy.

II.—PRICE AND QUANTUM MOVEMENTS OF GROUPS OF COMMODITIES IN WORLD TRADE, 1929 AND 1932-37.
(1929=100.)

Item.	1929.	1932.	1933.	1934.	1935.	1936.	1937.
PERCENTAGE SHARE IN VALUE OF WORLD TRADE.							
Foodstuffs.....	24.5	29.0	26.5	25.0	24.5	24.5	23.0
Materials, raw or partly manufactured.....	35.0	33.0	36.0	37.0	37.5	38.0	39.0
Manufactured goods.....	39.5	38.0	37.5	38.0	38.0	37.5	38.0
ALL COMMODITIES.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0
PRICE MOVEMENT (In U.S.A. old gold dollars).							
Foodstuffs.....	100.0	52.0	45.5	41.5	40.5	42.5	45.5
Materials, raw or partly manufactured.....	100.0	44.0	40.0	39.5	39.5	41.5	46.0
Manufactured goods.....	100.0	64.0	58.0	50.0	48.0	48.0	51.5
ALL COMMODITIES.....	100.0	52.4 ¹	46.7 ¹	43.5	42.4 ¹	43.7 ¹	47.5
QUANTUM MOVEMENT.							
Foodstuffs.....	100.0	89.0	83.0	82.0	85.5	88.0 ¹	93.0
Materials, raw or partly manufactured.....	100.0	81.5	87.5	88.0	91.5	95.5	111.5
Manufactured goods.....	100.0	59.0	60.5	60.5	69.5	75.0 ¹	86.0
ALL COMMODITIES.....	100.0	74.6 ¹	75.4 ¹	78.2 ¹	81.8 ¹	85.8 ¹	96.8

¹ Revised since the publication of the 1938 Year Book.