

# Immediate consequences of COVID-19 for trade in selected goods within the USMCA region

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# Summary Slide

## Question

How could the USMCA region trade in, fresh produce, meat and beverages, be affected by Covid-19?

## Hypothesis

The Covid-19 pandemic is affecting international trade patterns within the USMCA region.

## Results

There are unmistakable signs of a major change in trade within the USMCA region during the Covid-19 outbreak, especially on the second quarter of 2020.

# Questions and Data

## What and Why

Trade is expected to be affected by the Covid-19 outbreak, resulting in a major reconfiguration of global trade and, as a consequence a more important role for regions. Exploring how trade is changing within the USMCA region would support important decisions on trade policies.

## Data Needed

- A monthly series trade statistics data set between the Northamerican countries for selected commodities, classified by the HS system.
- A statistical dataset that shows Covid-19 cases per month

## Resources

- Comtrade API ([comtrade.un.org](https://comtrade.un.org))
- Covid-19 statistics API ([kaggle.com](https://kaggle.com))
- Trade Data by Country (<https://trendeconomy.com/trade>)
- Harmonized Commodity Description and Coding Systems (HS) (<https://unstats.un.org/unsd/trade/kb/Knowledgebase/50018/Harmonized-Commodity-Description-and-Coding-Systems-HS>)

# Data issues

1. Repeated Data
2. Data order
3. Missing values
4. Variables definition

# Data cleanup

1. Rows with same country as reporter and partner were deleted
  2. Transpose dates from columns to rows
  3. Linear interpolation for missing values
  4. Change data types: variables & USD values as floats, dates as strings
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# Data Analysis

## Steps taken

Extract data from sources

Plot time series by country

Plot time series by commodity

Compare trade figures with Covid-19 evolution

## Question Answer

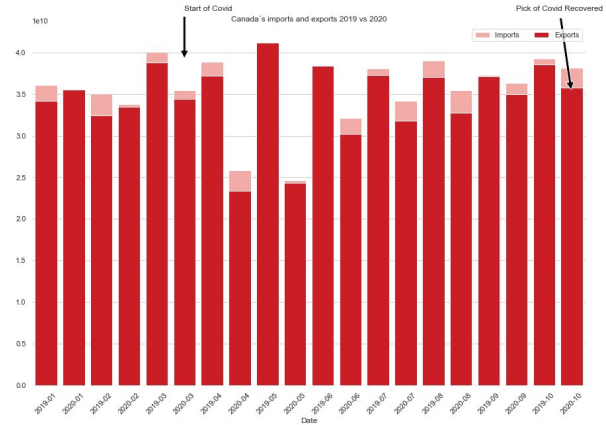
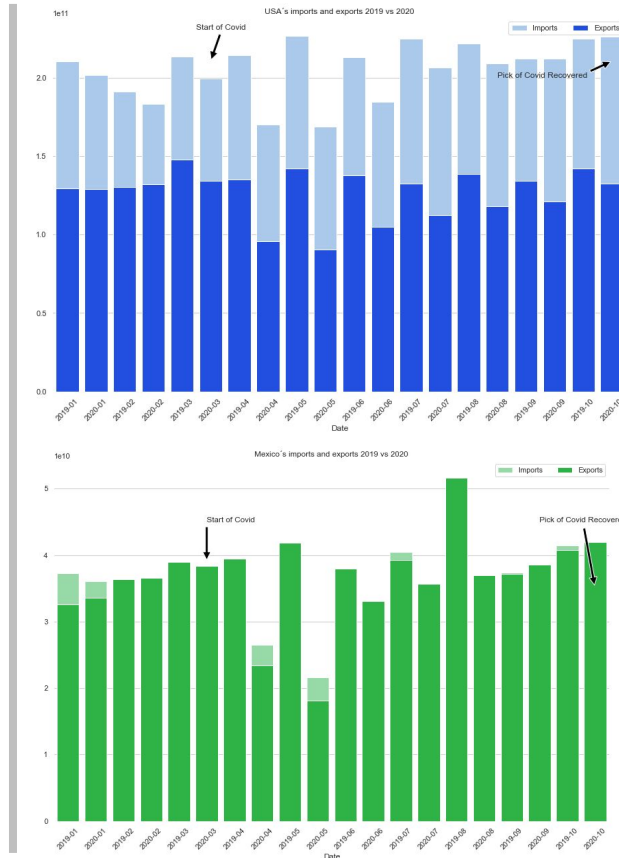
There are unmistakable signs of a major change in trade within the USMCA region during the Covid-19 outbreak, specially on the second quarter of 2020.

# Findings

# Findings

The value of total exports within the USMCA region fell by 15% in January - October 2020 compared with the same period in 2019, and almost in the same proportion for each of the analyzed countries.

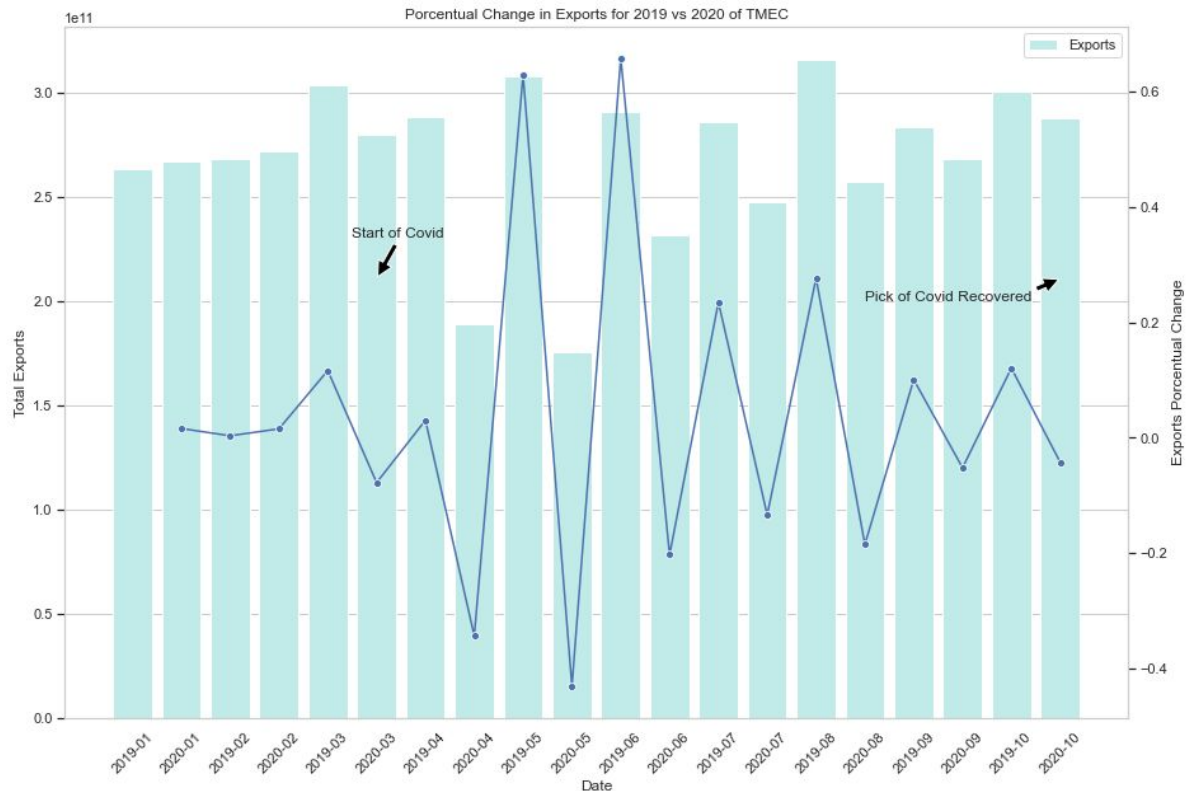
The value of total imports within the USMCA region fell by 11% in January - October 2020 compared with the same period in 2019, the highest drop in imports was in Mexico, which imported 21% less than in 2019.



# Findings

May was the worst month, with a decrease of exportations of -43%.

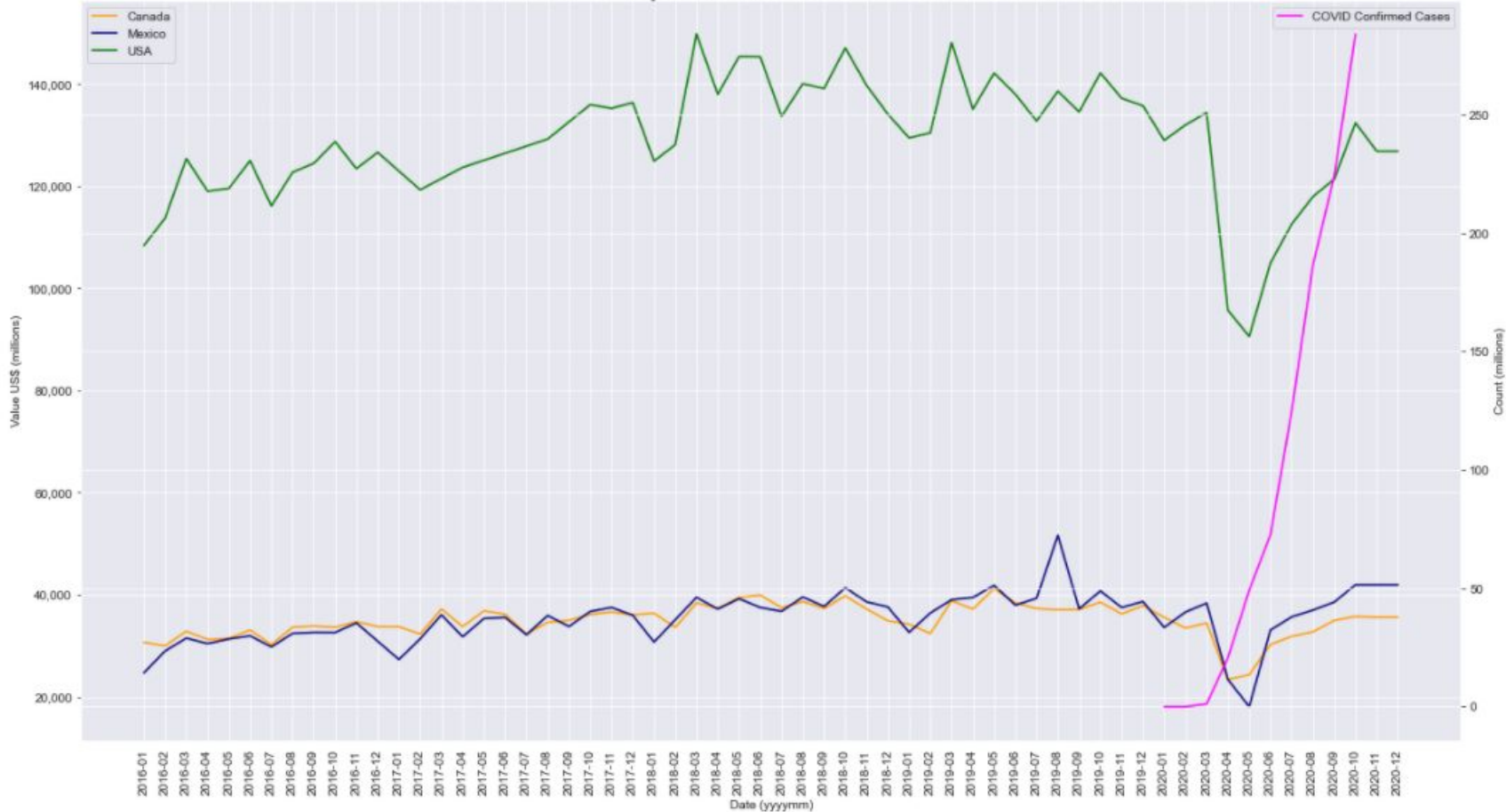
The market started to recover before June and get the lowest decrease on October with -4%, compare with the same month of 2019.





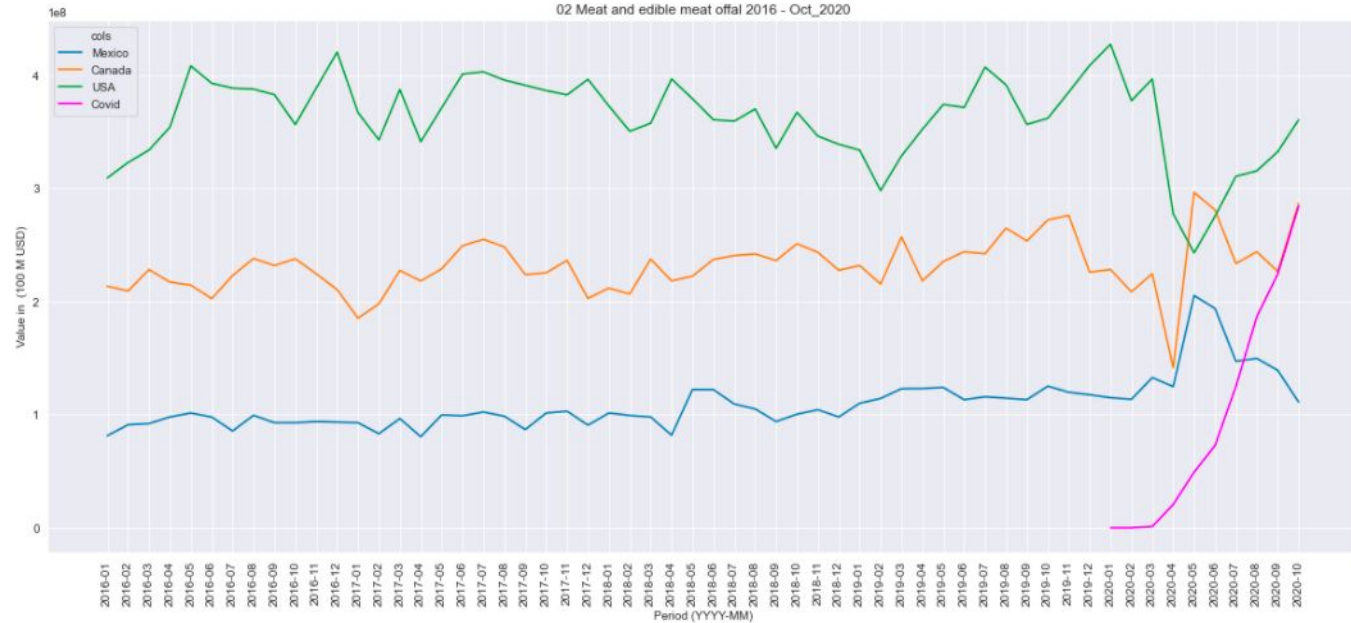
# Findings

North America - Exports vs COVID Confirmed Cases



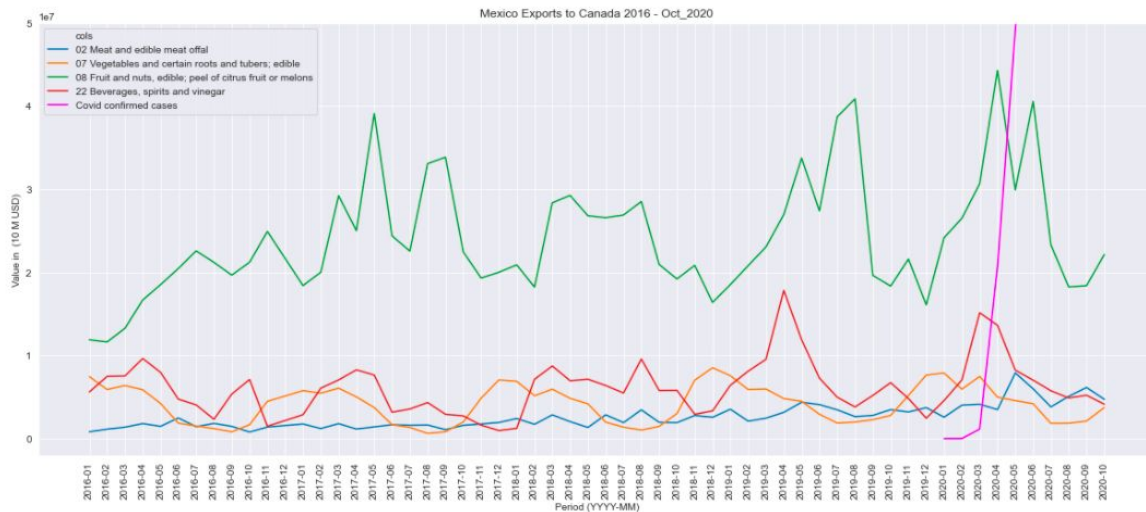
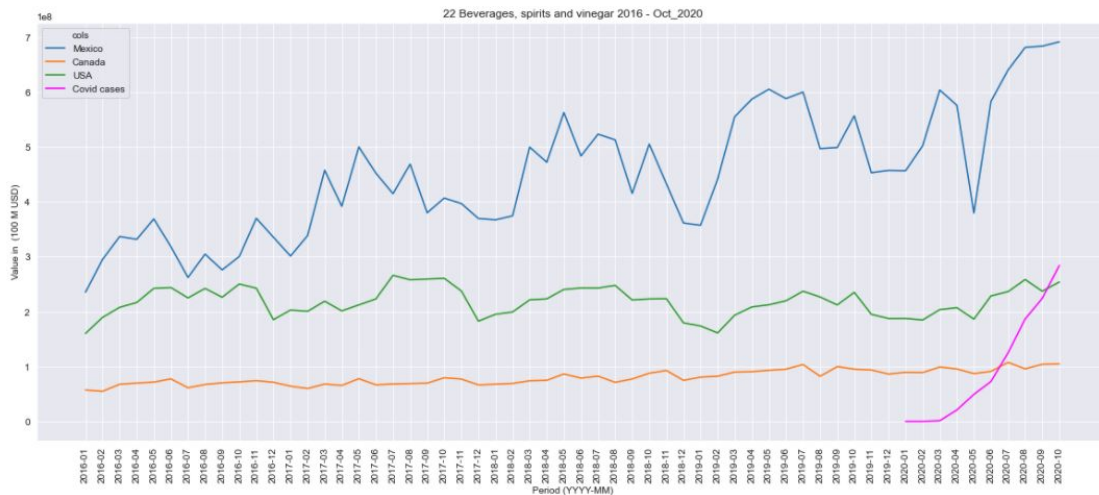
# Findings

On May 2020 there was a drop on meat value exports from USA to the USMCA region, at that same month meat exports from Mexico and Canada increased its values



# Findings

Although Mexico had a sharp decrease in Beverages exports, due to breweries closing during may 2020, overall there was an increase for the rest of the year.



Despite the drop in USMCA exports, the analyzed commodities: meat, vegetables, fruits, and beverages increased its exports value in Mexico

# Additional questions

¿How is trade correlated with variations in GDP?

¿How is trade correlated to production and consumption statistics?

¿How is trade within North America correlated with the ratification of the USMCA?

¿How is the global economic geography being reconfigured with Covid-19?

¿Could the Covid-19 pandemic be an opportunity to strengthen regional integration within the USMCA region?

# Q&A

