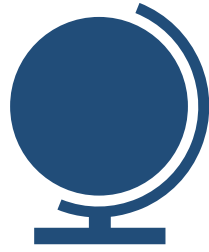




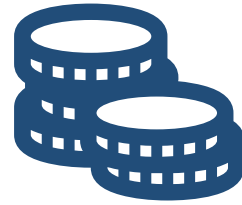
Asia-Pacific
Economic Cooperation

APEC Regional Trends Analysis

May 2026 • Policy Support Unit



GDP Growth
and Outlook



Inflation and
Monetary Policy



Trade
Performance

APEC Regional Trends Analysis



Emerging
Risks



Oil
Shocks



Suggested
Policy Options

KEY POINTS



APEC shows short-term resilience, but rising energy prices, weakening demand and narrowing fiscal space could dim growth.



Near-term trade outlook points to a slowdown as protectionism and economic uncertainty curb trade activity.

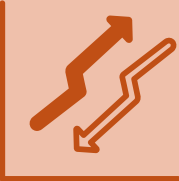


Oil prices surge due to Middle East tensions, highlighting APEC's vulnerability to oil shocks and supply disruptions.



Decline in shipping activity reflects heightening supply chain risks, signalling the need to diversify routes and modes of cargo transportation.

DOWNSIDE RISKS



Geopolitical and Trade Uncertainties

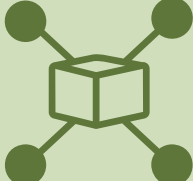


Energy Price Shocks



Weakening Demand

UPSIDE OPPORTUNITIES



Supply-chain Diversification



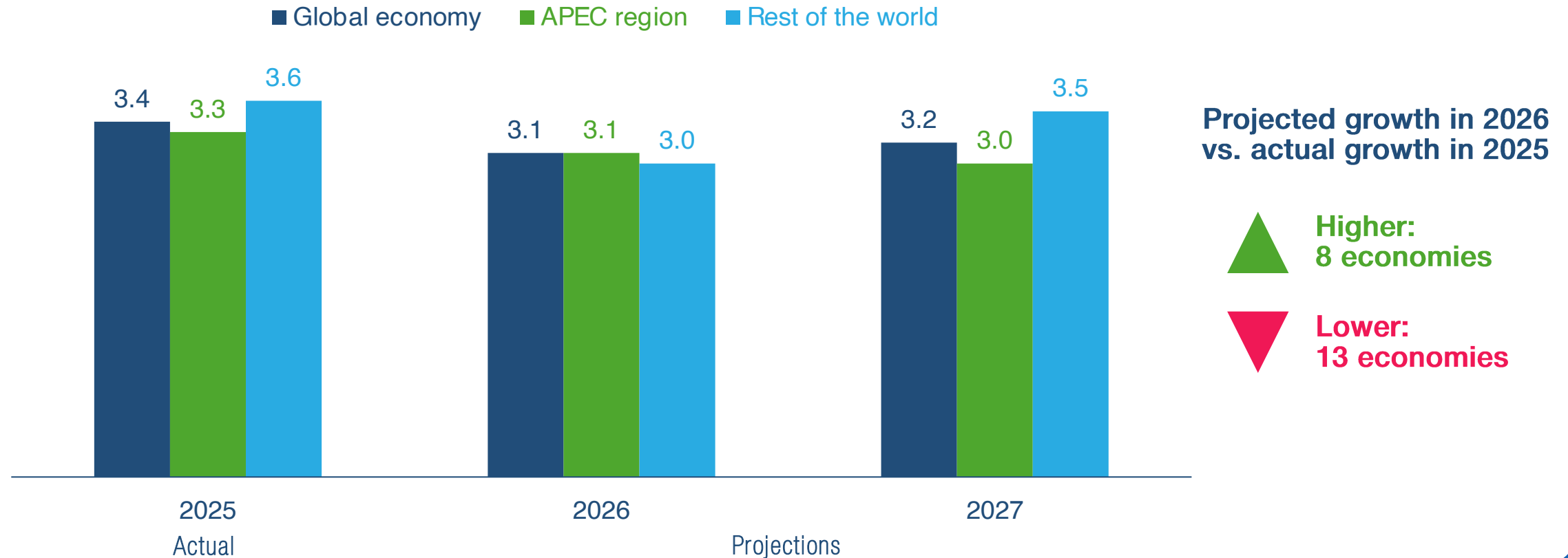
Relatively Strong Macroeconomic Fundamentals



High-tech Investment



GDP Growth Outlook: Global, APEC, and ROW (% , y-o-y)

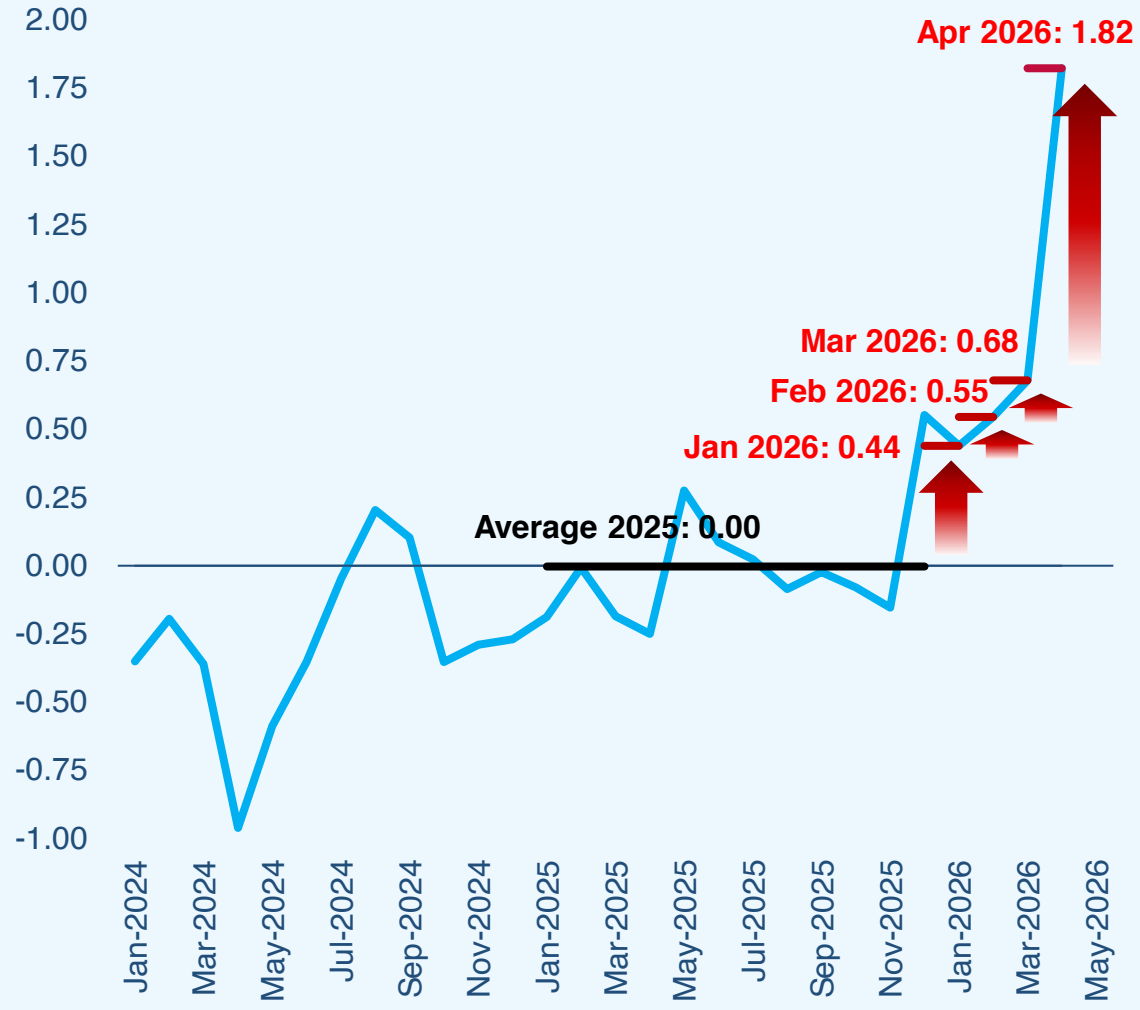


Despite the region's short-term resilience, economic prospects have been revised down in some economies amid geopolitical tensions and supply disruptions.



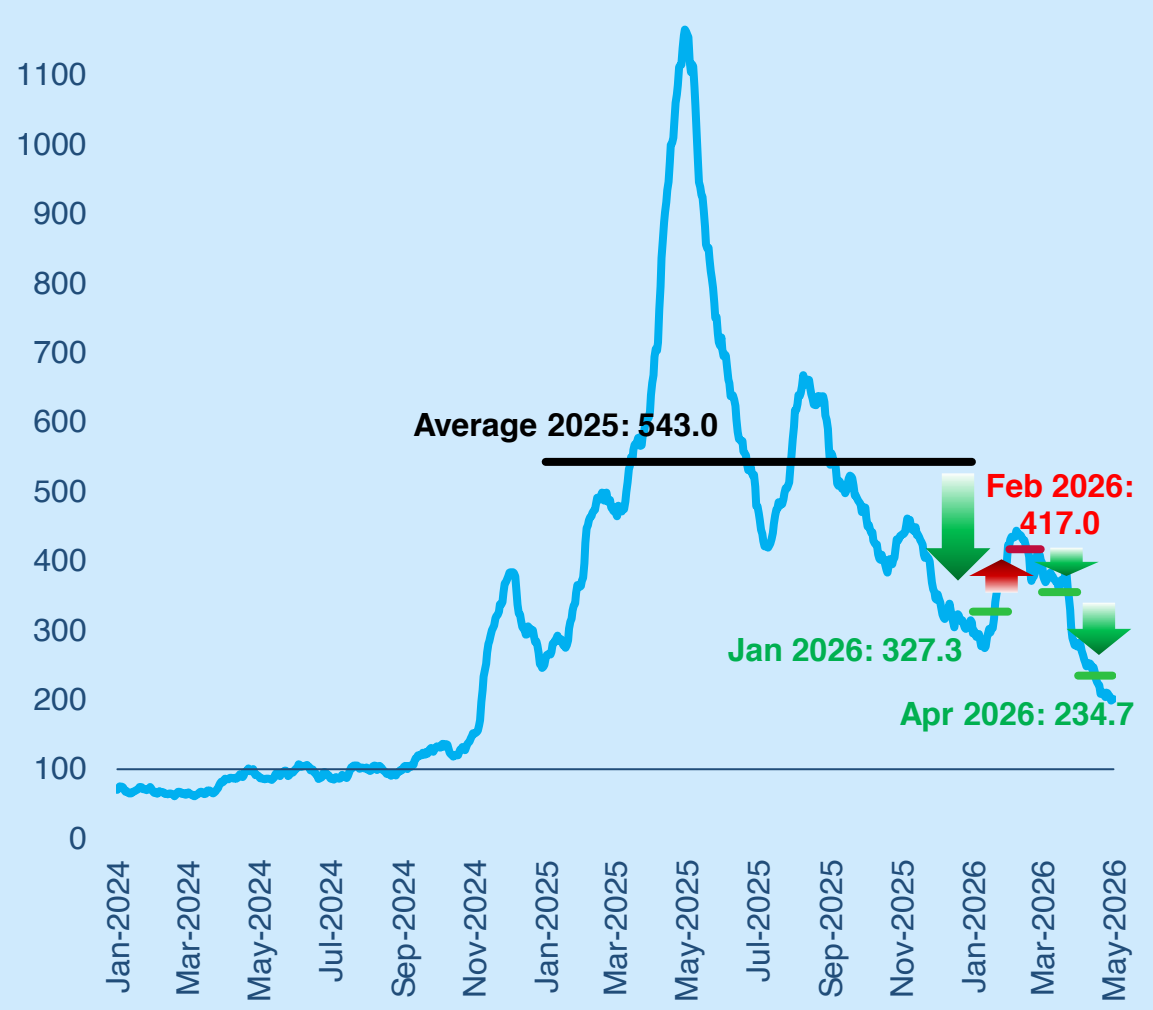
Global Supply Chain Pressure Index

(standard deviation from index historical average)

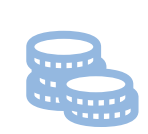


Trade Policy Uncertainty Index

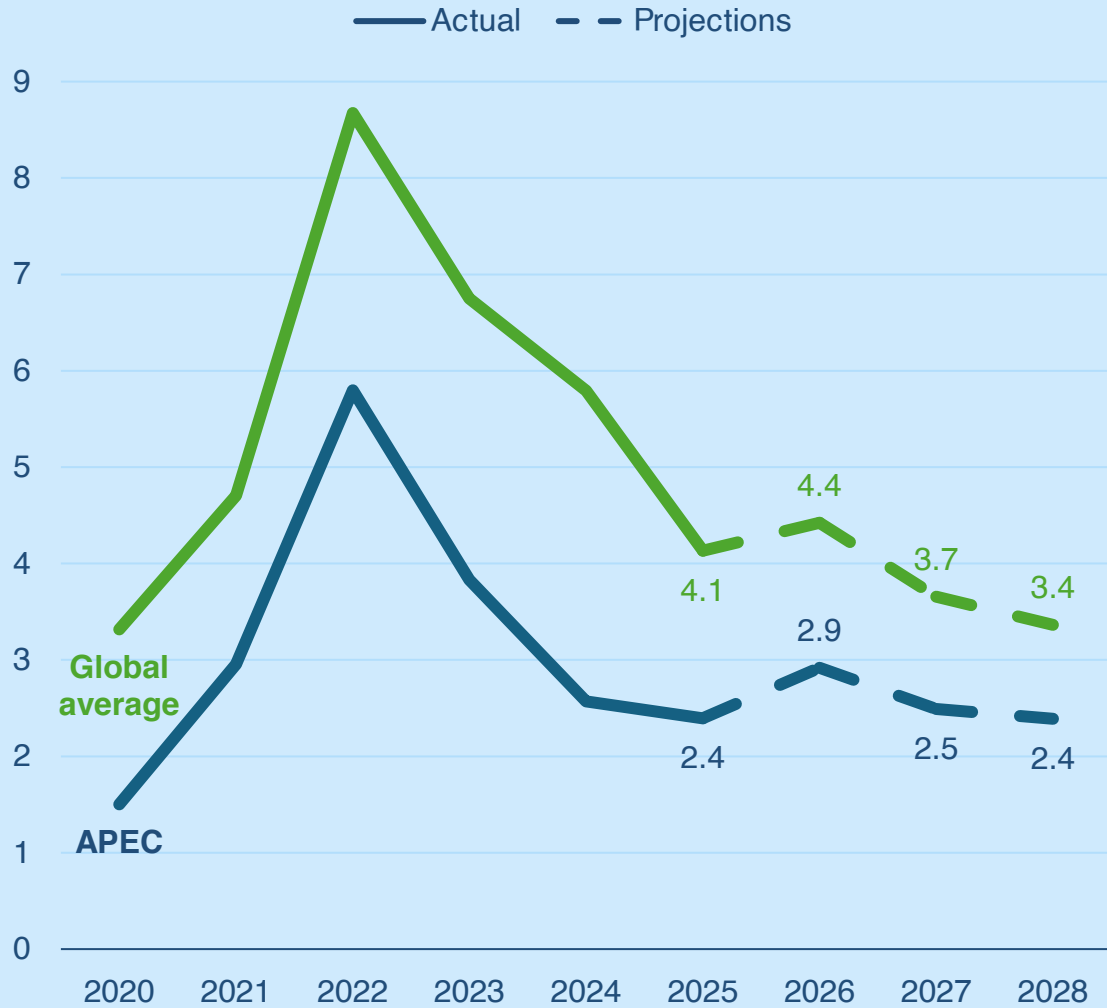
(September 2024 = 100)



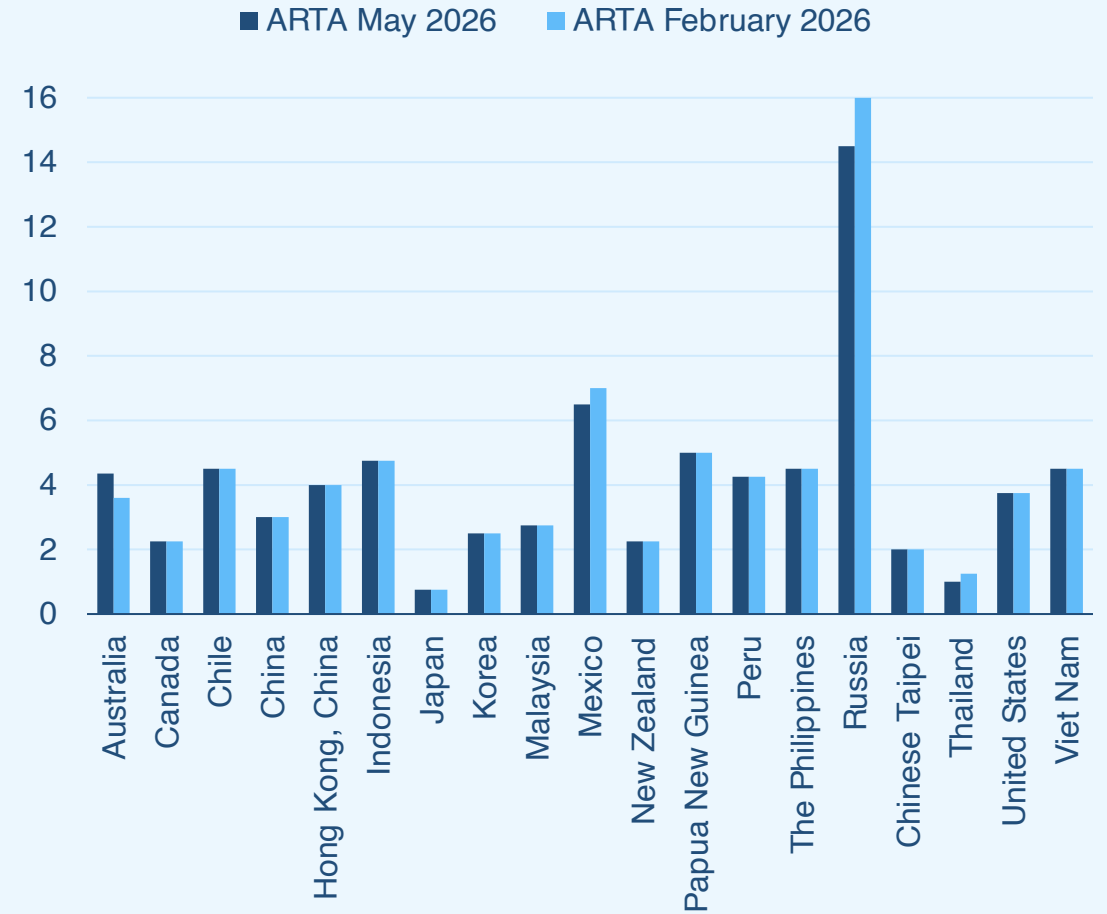
Supply-chain disruptions have intensified downside risks, even as trade policy uncertainty has eased.



APEC Average Inflation Outlook (% , y-o-y)

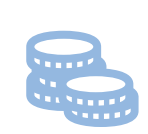


Monetary Policy Rate (%)

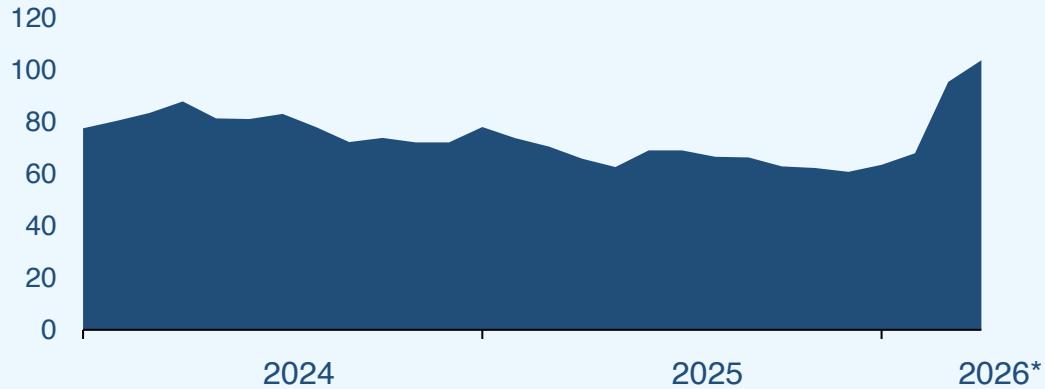


Note: As of 8 May 2026. The monetary policy framework in Brunei Darussalam is based on a currency board system, with the Brunei dollar anchored to the Singapore dollar at par. For Singapore, monetary policy is conducted through the trade-weighted exchange rate, which is allowed to fluctuate within a policy band.

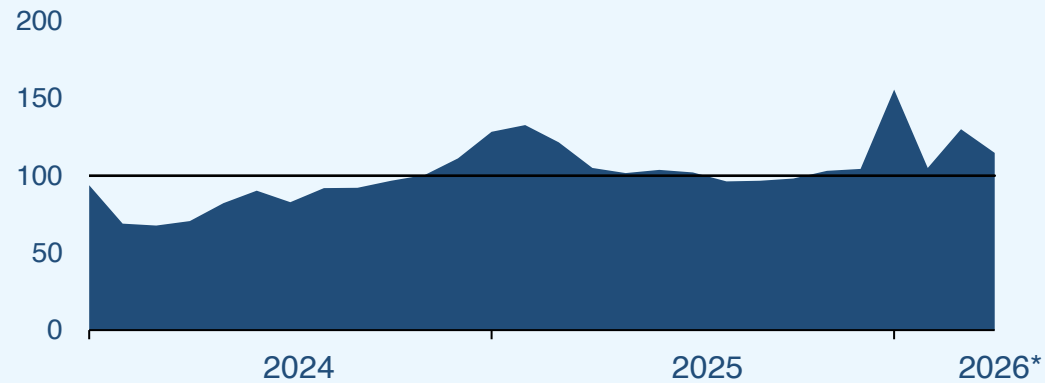
APEC inflation is projected to spike in 2026, with most central banks adopting a cautious stance.



Crude Oil Price (USD/barrel)

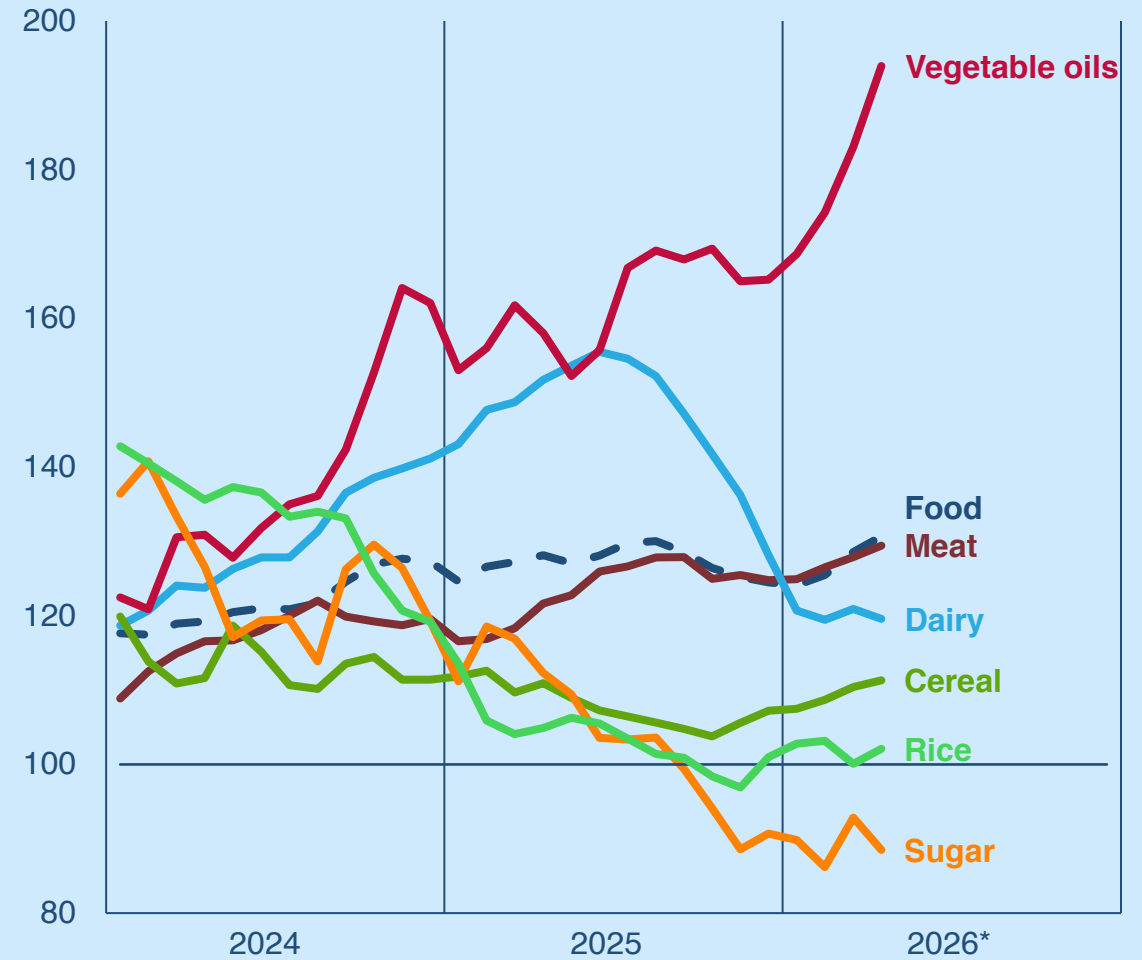


LNG Price (Index, 2010 = 100)



Note: * As of 30 April 2026.

Food Prices (Index, 2014-2016=100)



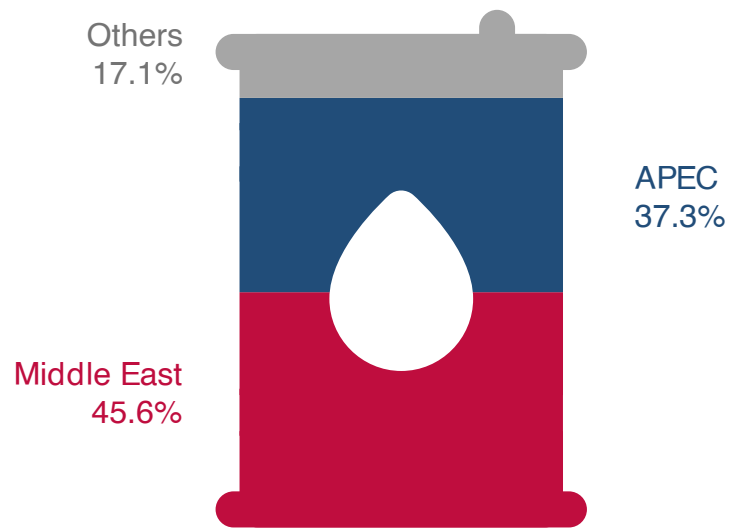
Note: * As of 30 April 2026.

Middle East disruptions drive spikes in crude oil and gas prices, with rising energy and freight costs feeding into food prices.



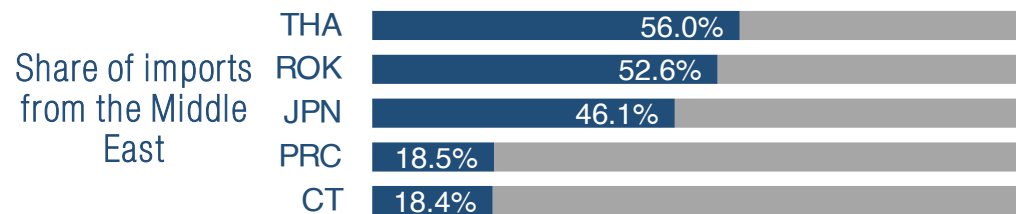
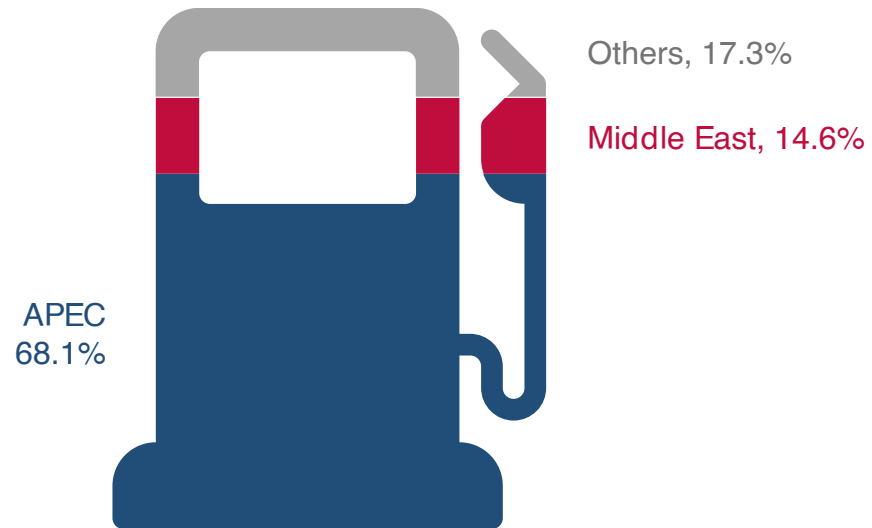
Origin of APEC Crude Oil Imports

(percent of total import, 2024)



Origin of APEC Refined Oil Imports

(percent of total import, 2024)

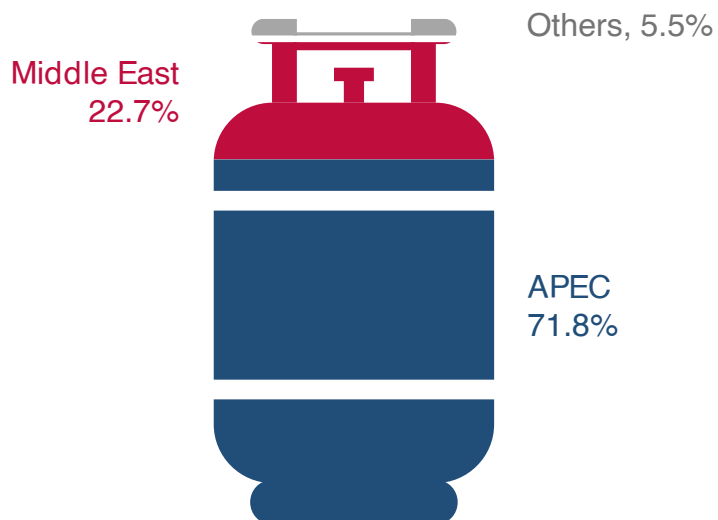


Oil and gas make up 49 percent of APEC's energy mix, largely imported from the Middle East, making the region highly sensitive to geopolitical and supply tensions.

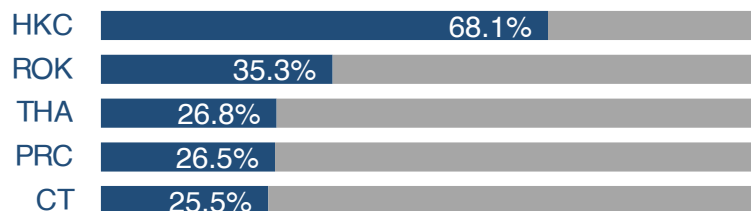


Origin of APEC LNG Imports

(percent of total import, 2024)



Share of imports from the Middle East

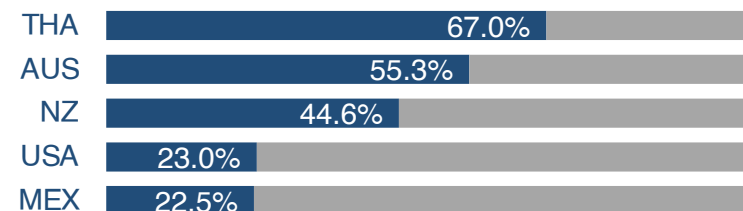


Origin of APEC Nitrogen-Based Fertilizer Imports

(percent of total import, 2024)



Share of imports from the Middle East

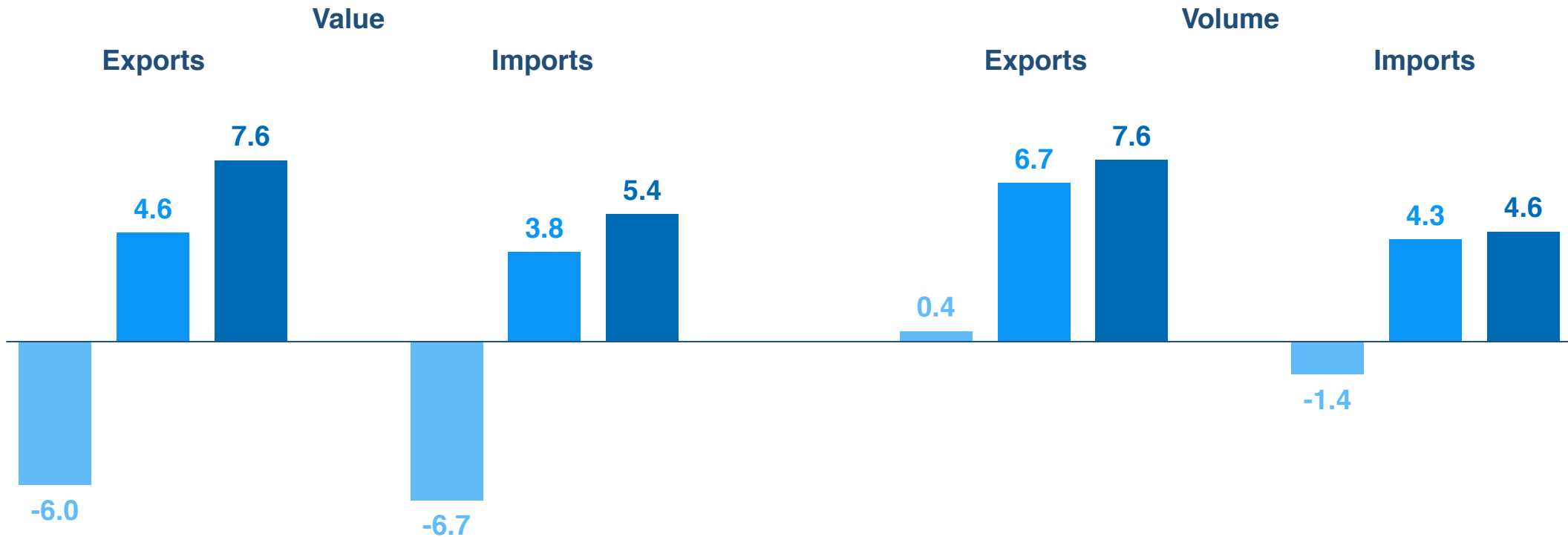


The region's exposure to disruptions in the Middle East also affects other critical inputs of production, including natural gas and fertilizers.



APEC Merchandise Trade Growth (% , y-o-y)

■ 2023 ■ 2024 ■ 2025



Merchandise trade strengthens in 2025, driven by strong tech demand and front-loaded shipments amid a shifting trade policy landscape.



APEC Commercial Services Trade Value Growth (% , y-o-y)

■ 2023 ■ 2024 ■ 2025

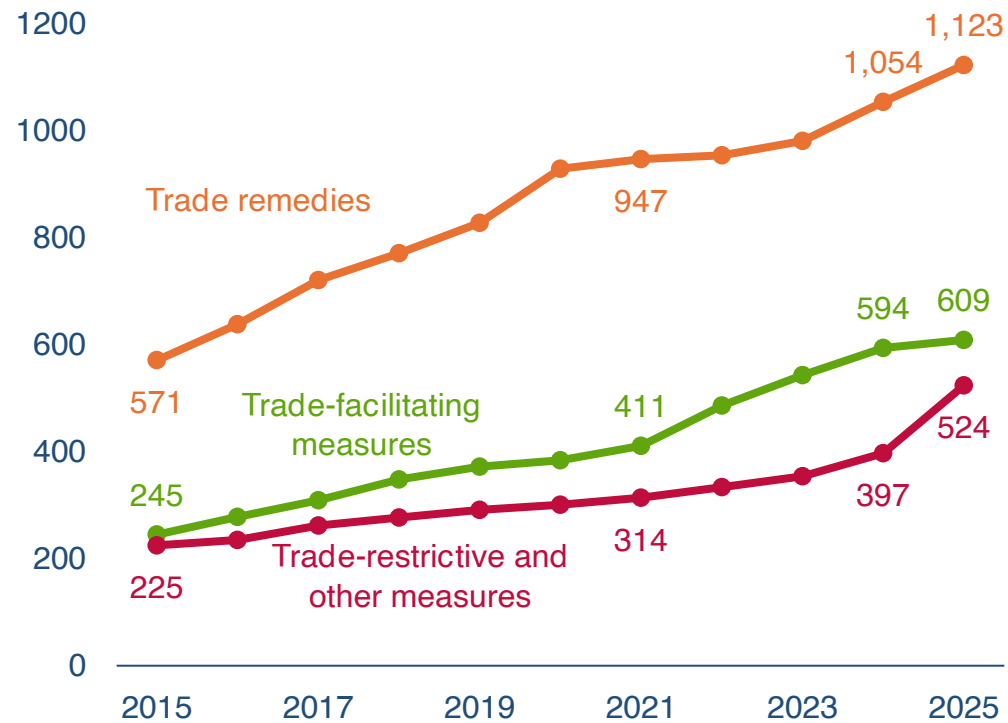


Growth in commercial services trade has moderated as travel and transport decelerate, with goods-related services contributing more to overall growth.



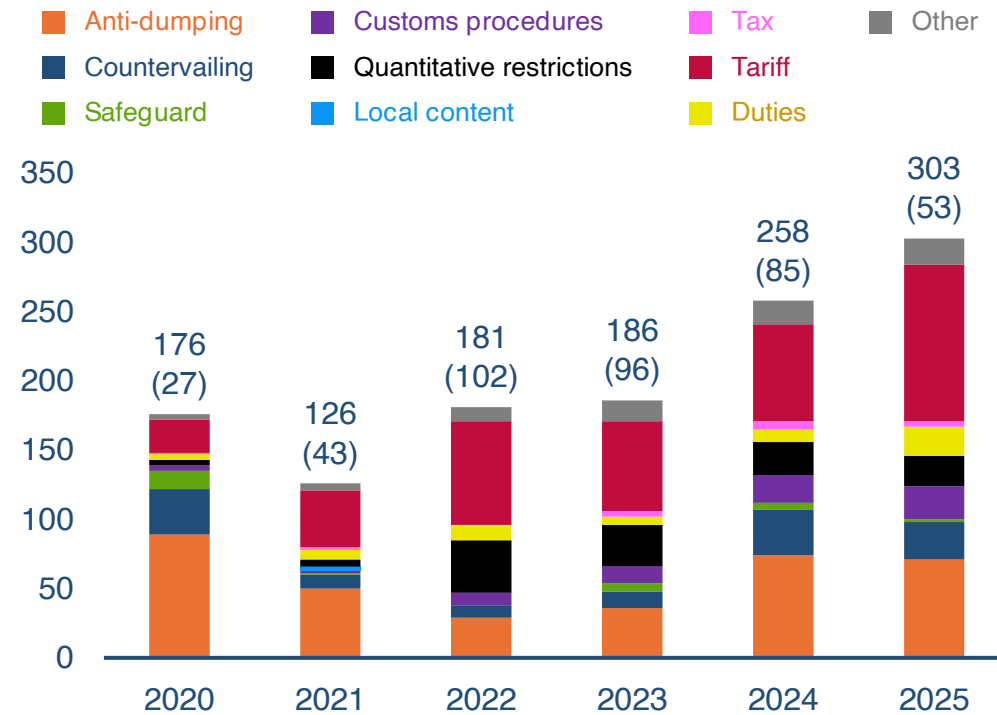
Trade Measures in APEC

Number of Measures in Force by Category



Number of New Measures Implemented

(number of facilitating measures in parentheses)

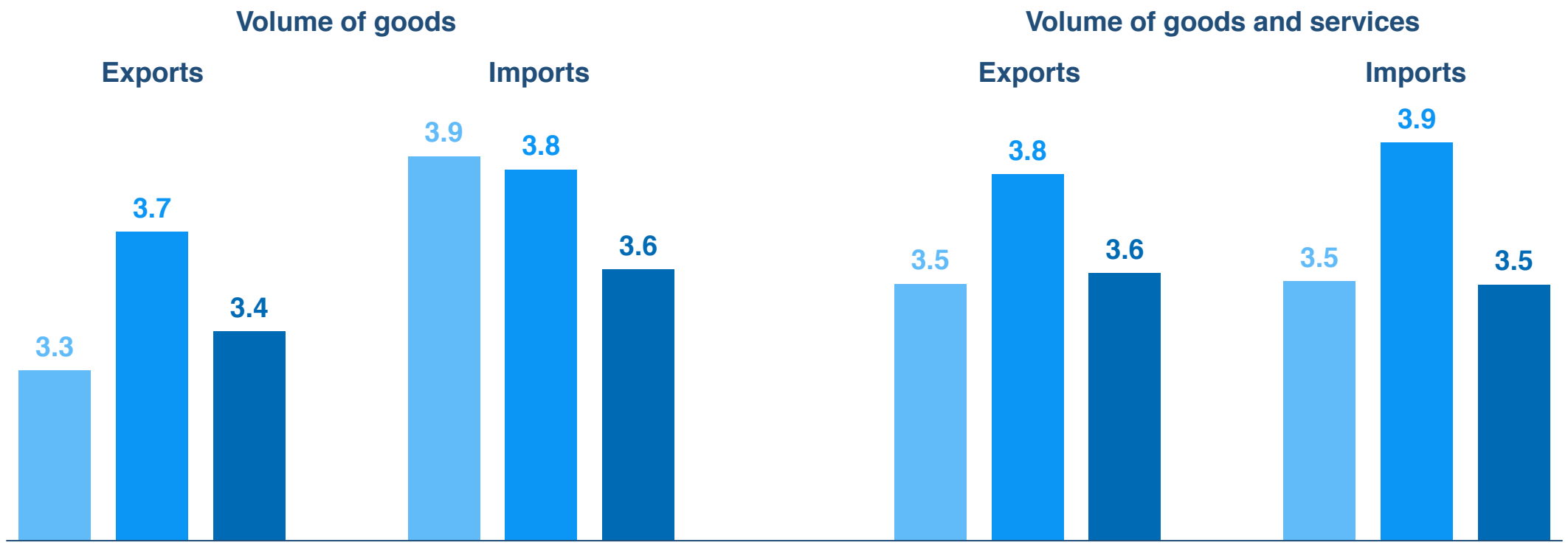


Increased trade-restrictive measures and trade remedies, primarily tariffs and anti-dumping, signal growing fragmentation.



APEC Trade Outlook (% , y-o-y)

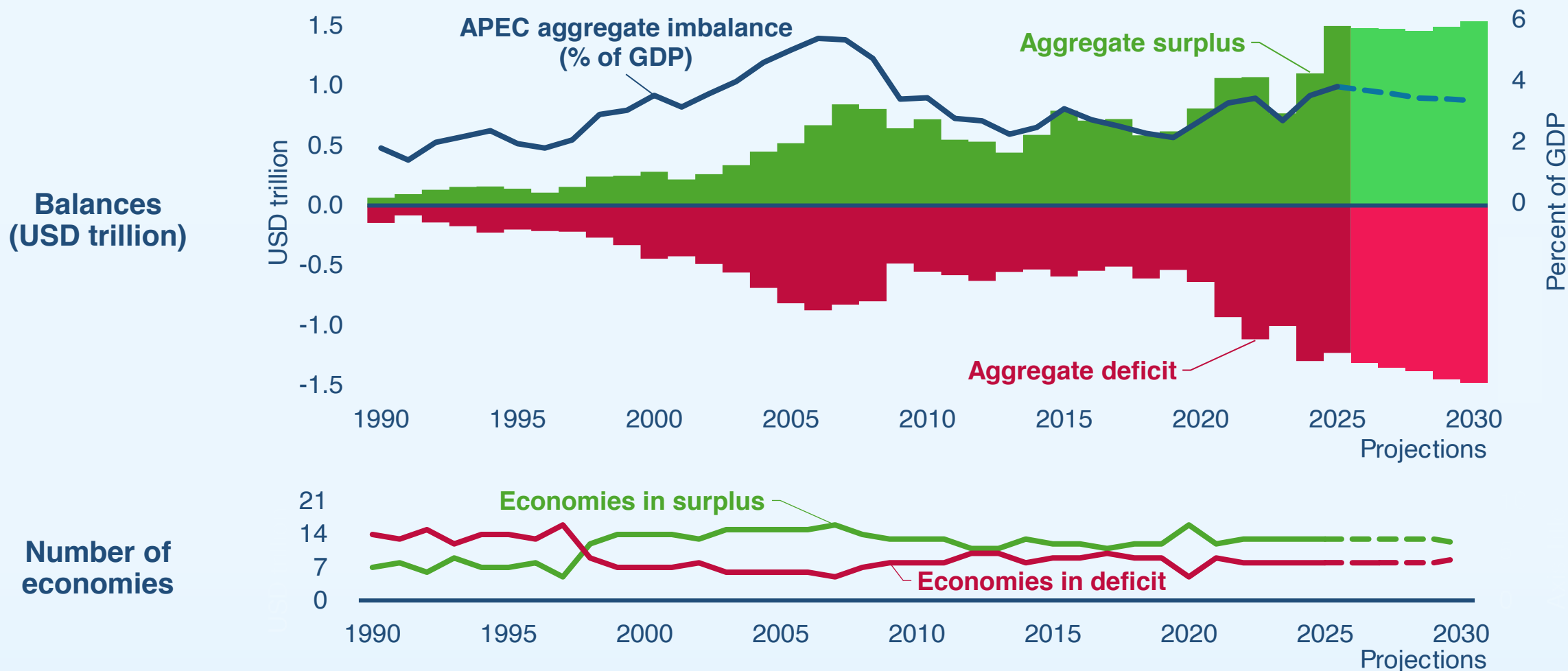
■ 2026 ■ 2027 ■ 2028



Near-term trade outlook points to a slowdown, as elevated risks could outweigh still-resilient demand.



Current Account Balances in APEC Economies

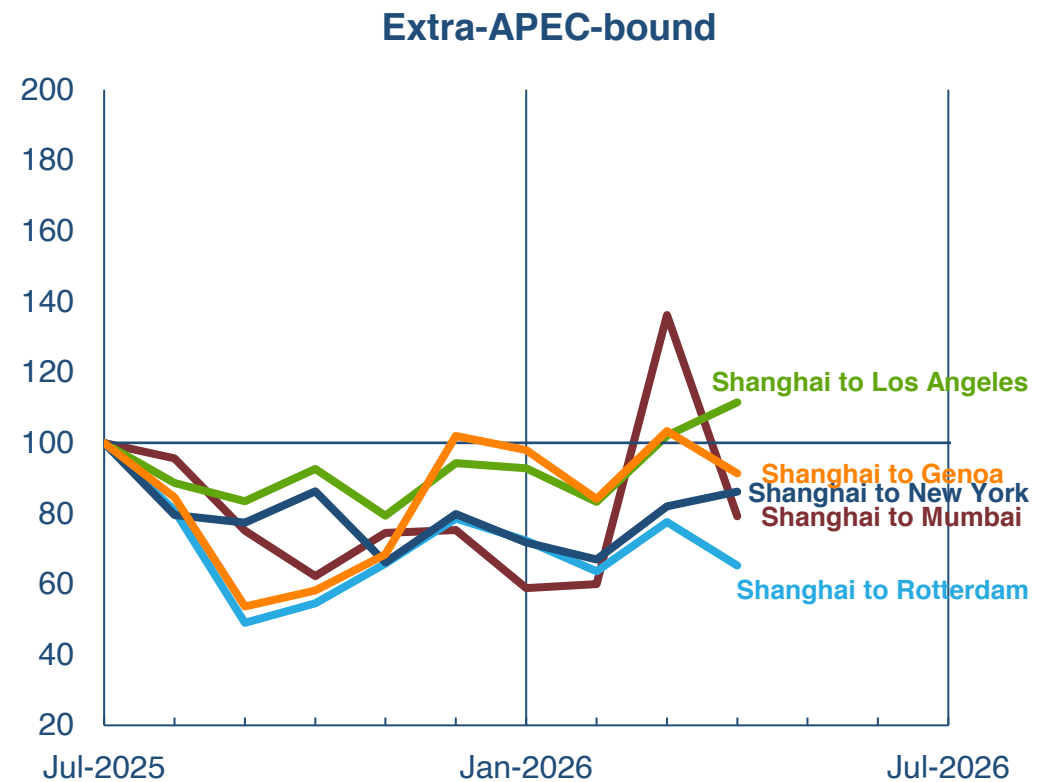
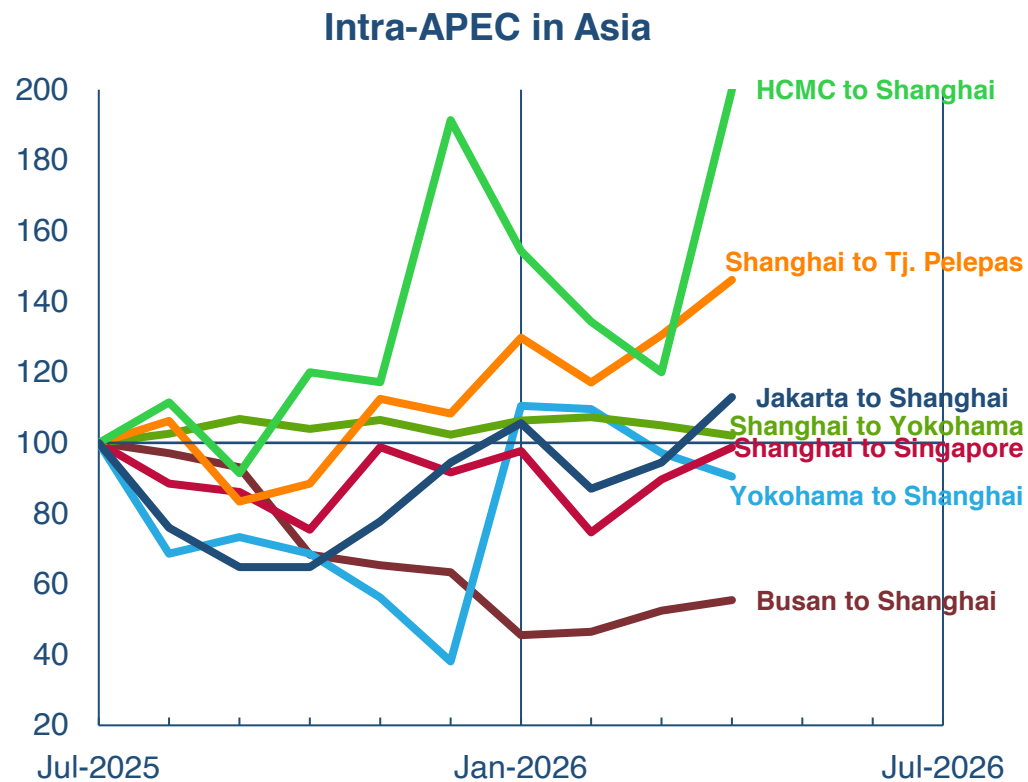


Note: Aggregate balances are calculated as the sum of current account surpluses (deficits) across economies in surplus (deficit). The aggregate imbalance is calculated as the sum of surpluses and deficits across economies in absolute values.

APEC aggregate imbalance is projected to remain persistently wide in the near future, with some economies exhibiting sizeable trade surpluses or deficits.



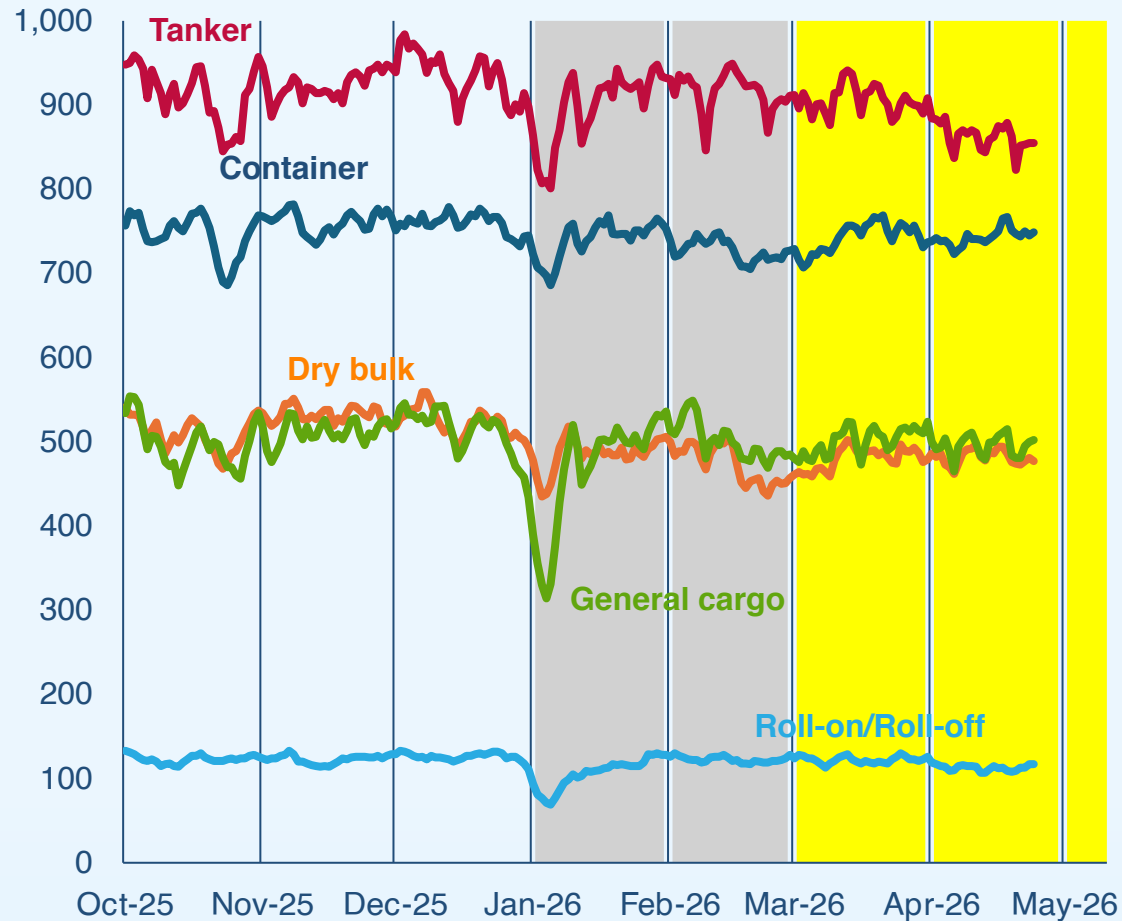
Freight Costs (Index, July 2025 = 100)



Note: Indices are calculated based on end-of-month data.

Freight costs are surging on intra-APEC routes following earlier hikes in extra-APEC routes, driven by shipping disruptions and rising fuel prices.

Number of Port Calls in APEC* (ships, 7-day weighted moving average)



Number of Port Calls in APEC (m-o-m)

	Container	Dry bulk	General cargo	Roll-on/ Roll-off	Tanker
Feb 2026	▼1.0%	▼2.0%	▲1.8%	▲5.8%	▲0.6%
Mar 2026	▲2.3%	▲2.8%	▲1.0%	▼0.5%	▼1.2%
Apr 2026*	▲0.2%	▼0.2%	▼0.9%	▼7.6%	▼4.6%

Incoming Shipment Volumes in APEC (m-o-m, in metric tons)

	Container	Dry bulk	General cargo	Roll-on/ Roll-off	Tanker
Feb 2026	▲1.2%	▼4.8%	▲1.4%	▲0.5%	▲0.5%
Mar 2026	▲1.3%	▲4.5%	▼2.0%	▲15.3%	▼6.6%
Apr 2026*	▼2.6%	▼2.8%	▲2.5%	▼8.9%	▼9.8%

Outgoing Shipment Volumes in APEC (m-o-m, in metric tons)

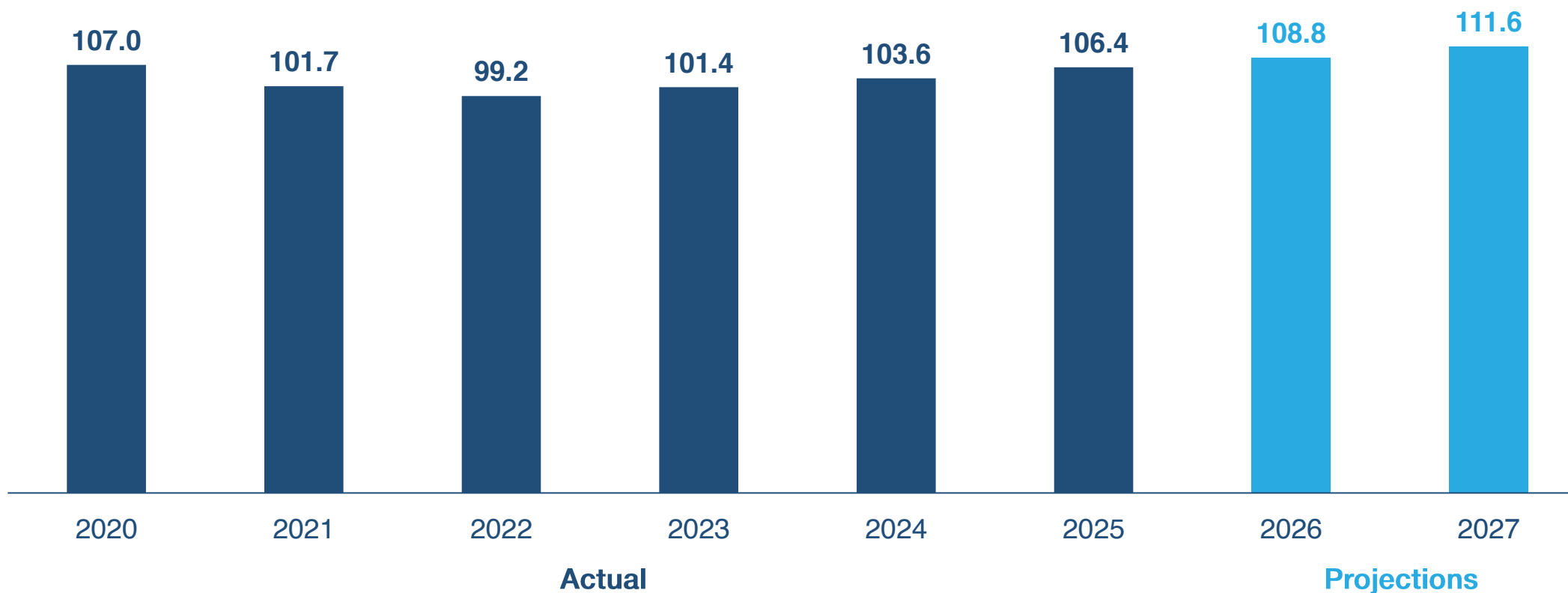
	Container	Dry bulk	General cargo	Roll-on/ Roll-off	Tanker
Feb 2026	▲1.3%	▼3.1%	▲2.0%	▲8.3%	▼0.9%
Mar 2026	▲1.9%	▲1.4%	▲3.1%	▼9.4%	▲2.2%
Apr 2026*	▲6.4%	▲2.2%	▼6.3%	▼10.4%	▼1.1%

Note: * Data as of 24 April 2026. The 7-week moving averages are calculated with larger weights assigned to more recent data. The MoM changes are calculated based on the average monthly traffic and volume of shipments.

Port traffic in APEC is starting to decline as the effects of recent disruptions filter through, with a widening gap between inbound and outbound volumes.



Gross Public Debt in APEC (% of GDP)



Sustained rise in public debt across APEC economies limits governments' capacity to respond effectively to future economic shocks.

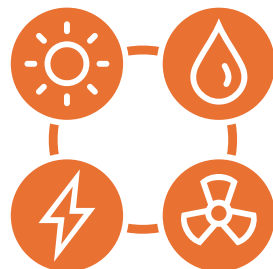


Policy Priorities



Strengthen Supply Chain Resilience

Optimize supply chains by broadening sources, routes and services, enhancing logistics connectivity, and improving efficiency with transparent digital platforms.



Accelerate Energy Diversification and Investments

Diversify energy mix and sources, while also improving and safeguarding energy infrastructure, to reduce exposure to oil and gas shocks.



Rebuild Fiscal Space

Implement a disciplined approach that focuses on high-impact investments and targeted measures to support households and businesses.



Reinforce Regional Cooperation

Deepen regional cooperation to propel the APEC region from resilience to future-readiness, ensuring robust, market-based economic collaboration

Asia-Pacific Economic Cooperation (APEC) was established in 1989. The 21 member economies are Australia; Brunei Darussalam; Canada; Chile; China; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Mexico; New Zealand; Papua New Guinea; Peru; the Philippines; Russia; Singapore; Chinese Taipei; Thailand; the United States; and Viet Nam.

APEC Policy Support Unit (PSU) is the policy research and analysis arm for APEC. It supports APEC members and fora in improving the quality of their deliberations and decisions and promoting policies that support the achievement of APEC's goals by providing objective and high-quality research, analytical capacity, and policy support capability.

APEC Regional Trends Analysis (ARTA) is a serial publication of the PSU which provides an overview of the region's economy through an analysis of recent macroeconomic, trade and investment trends. It tracks recent trade and investment measures implemented around the region, and discusses risks and opportunities to the region's economic outlook.

This report was prepared by **Rhea Crisologo Hernando** and **Eldo Malba Simanjuntak**, Analyst and Researcher, respectively, at the PSU. The views expressed in the APEC Regional Trends Analysis are those of the authors and do not necessarily represent those of the APEC Member Economies. This work is licensed under the Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License. To view a copy of this license, visit <https://creativecommons.org/licenses/by-nc-sa/4.0/deed.en>.



**Asia-Pacific
Economic Cooperation**

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