



Asia-Pacific  
Economic Cooperation

# APEC Regional Trends Analysis

February 2026 • Policy Support Unit



GDP Growth  
and Outlook



Inflation and  
Monetary Policy

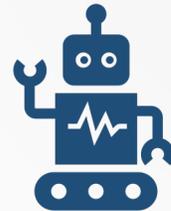


Trade  
Performance

## APEC Regional Trends Analysis



Emerging  
Risks



Semiconductor  
Billings

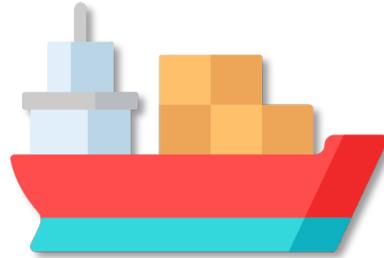


Suggested Policy  
Options

## KEY POINTS



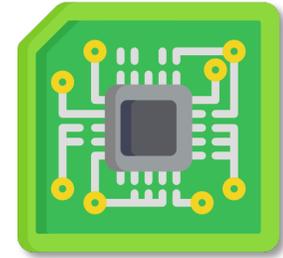
Estimated growth for 2025 has been revised modestly upward, reflecting resilient consumption and trade, along with strong AI-related investments.



Merchandise trade has remained robust, supported by agile business responses to shifting trade flows and efforts to ease trade tensions in 2025.



Trade barriers have risen sharply in 2025, driven by new tariff and import measures, intensifying medium-term trade headwinds.



Semiconductor billings have reached record highs due to massive tech investments, boosting productivity but also giving rise to concentration and profitability risks.



### DOWNSIDE RISKS



Uncertainty and Geopolitical Risks



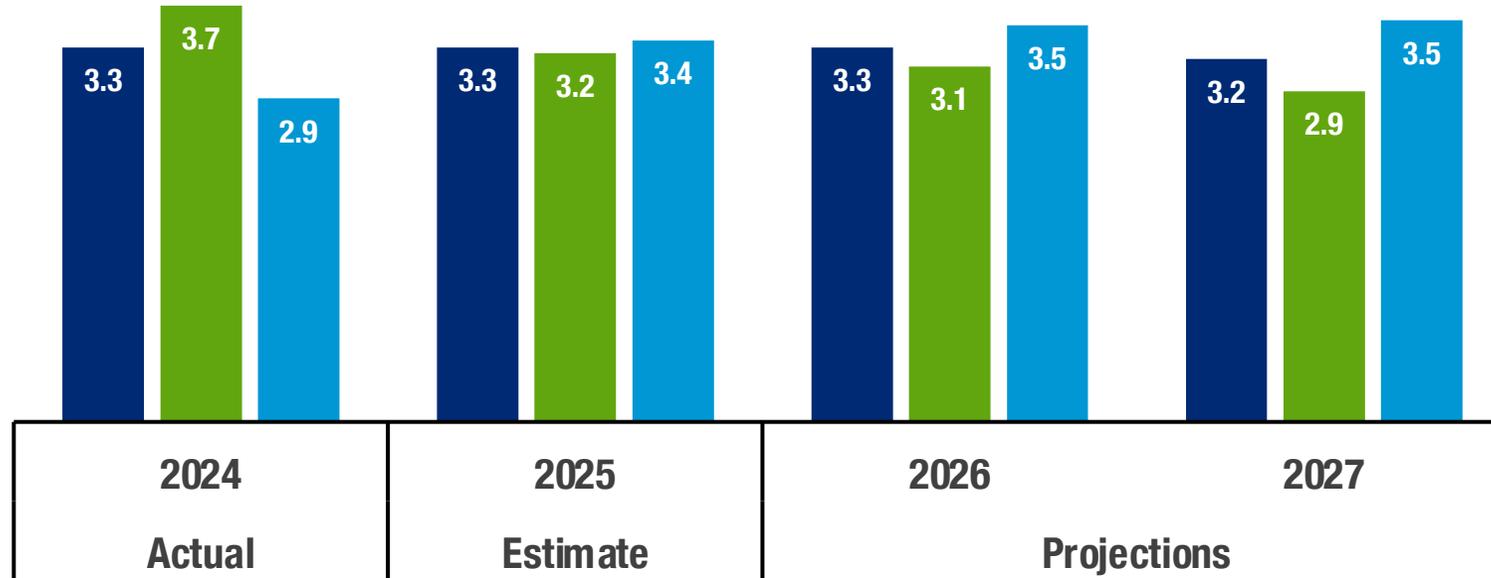
Restrictive Policies



Sluggish Productivity Gains

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

■ Global economy ■ APEC region ■ Rest of the world



### UPSIDE OPPORTUNITIES



Private Sector Adaptability



Innovative Technologies

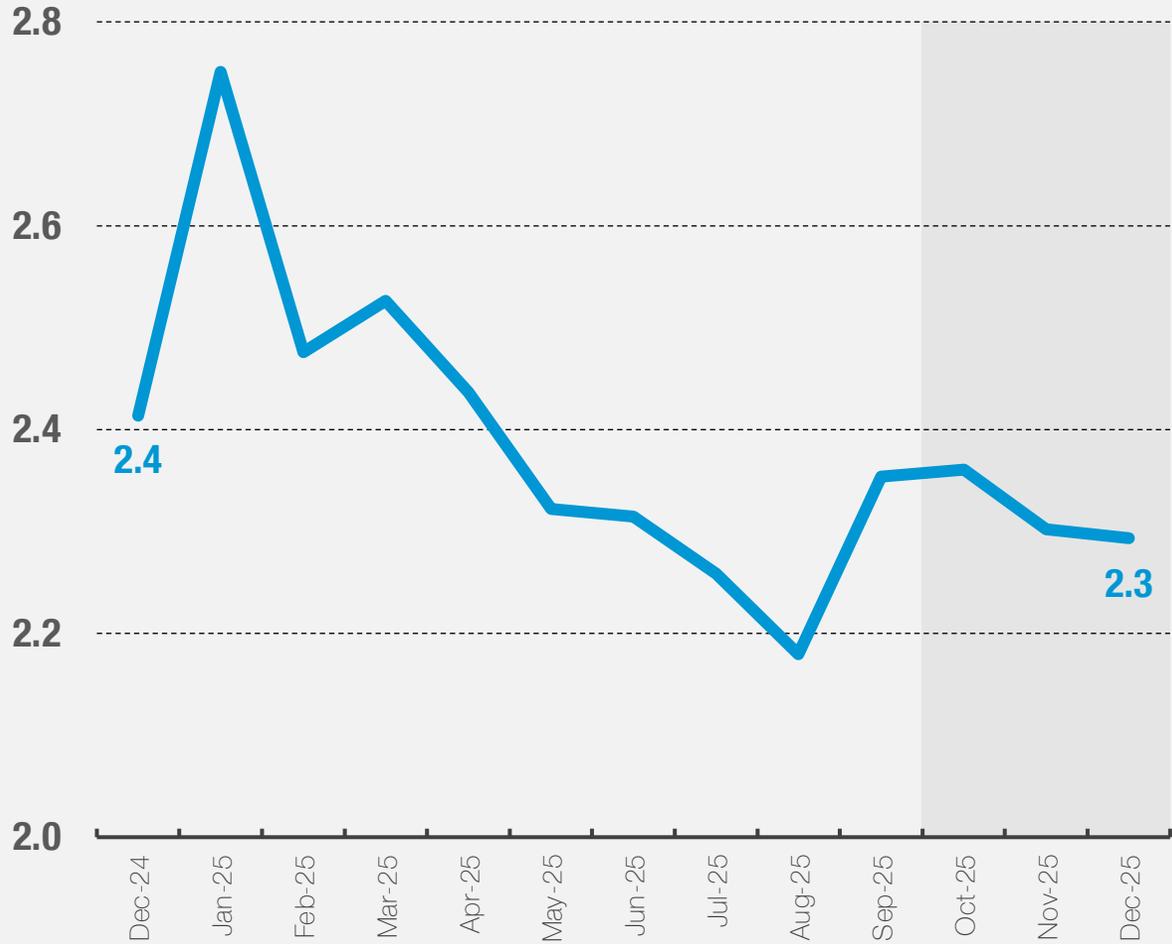


Multilateral Cooperation

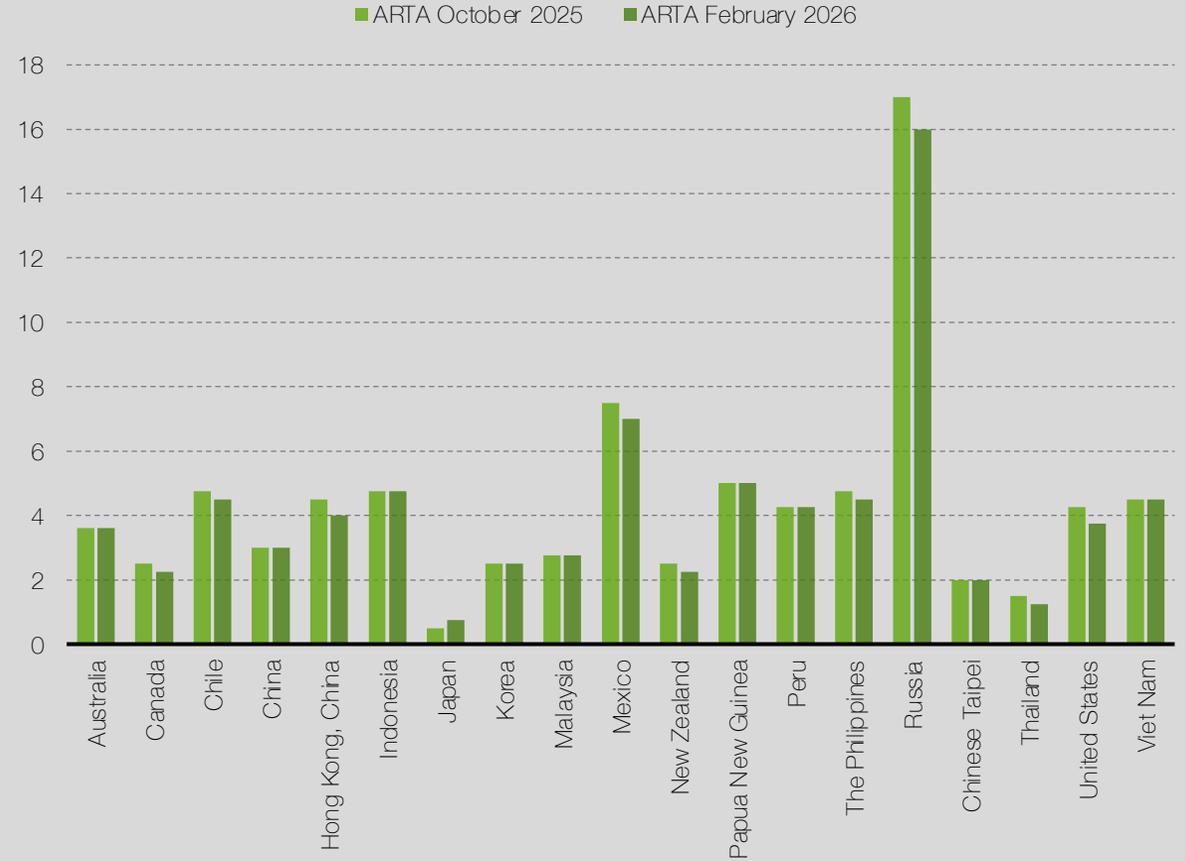
Near-term growth momentum has strengthened on consumption, trade, and AI investments, even as headwinds are expected to weigh on APEC’s medium-term growth.



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



## Monetary Policy Rate (%)

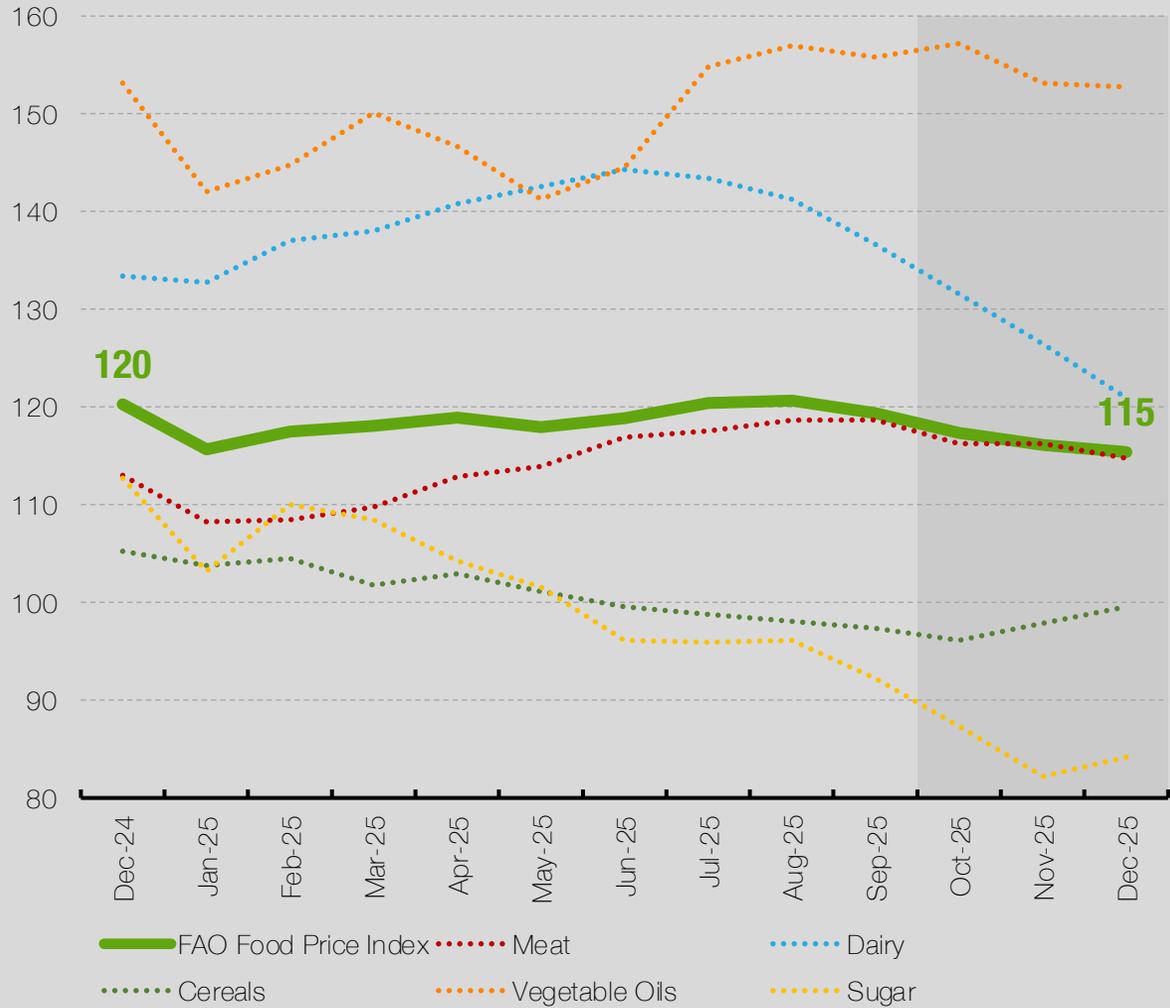


Note: As of 2 February 2026. The monetary policy framework in Brunei Darussalam is based on a currency board system, with the Brunei dollar anchored to the Singapore dollar at par. For Singapore, monetary policy is conducted through the trade-weighted exchange rate, which is allowed to fluctuate within a policy band.

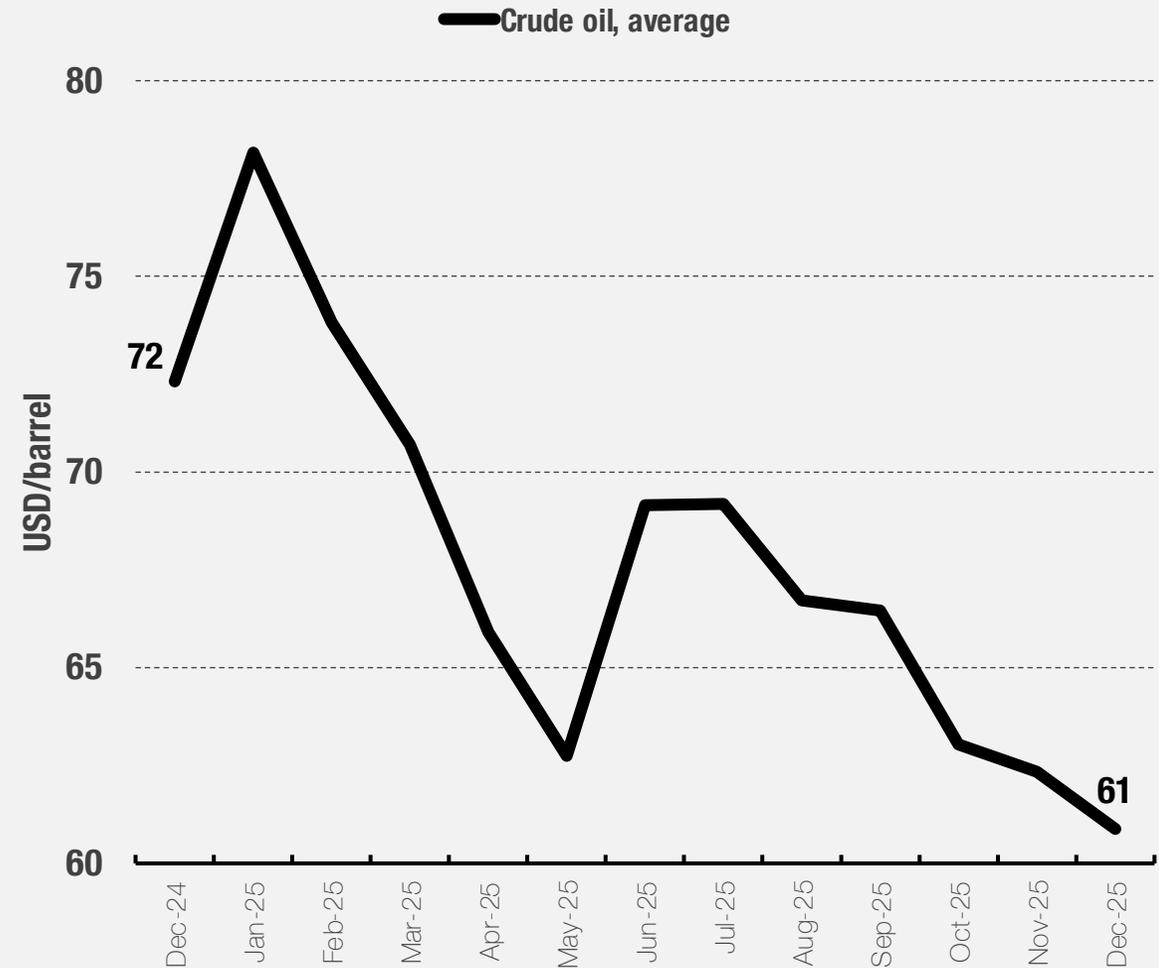
**With inflation easing, central banks have kept monetary policy accommodative, while closely monitoring risks to price stability.**



## Food Prices (Index, 2014-2016=100)



## Crude Oil Price (USD/barrel)

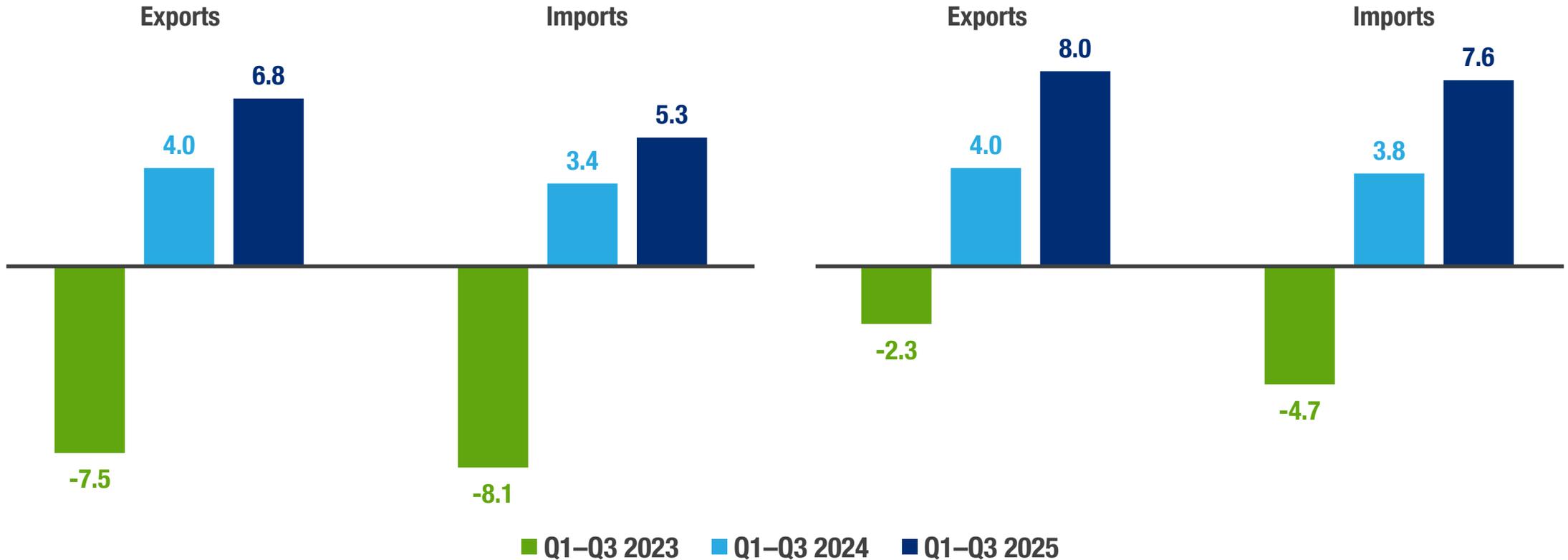


**Food and oil prices have declined due to favorable supply conditions.**



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

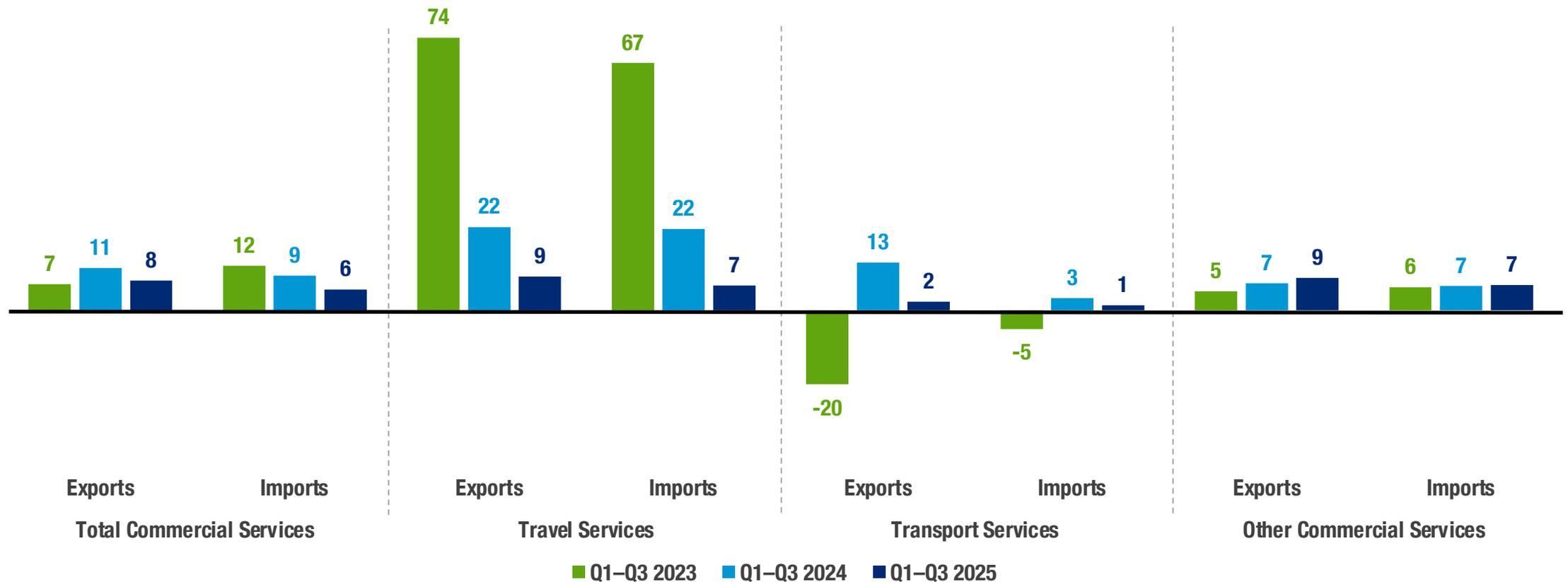
### APEC Merchandise Trade Volume Growth (% , y-o-y)



**Merchandise trade has remained robust, supported by shifting trade flows, agile business responses, and strong AI-related industrial demand.**



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

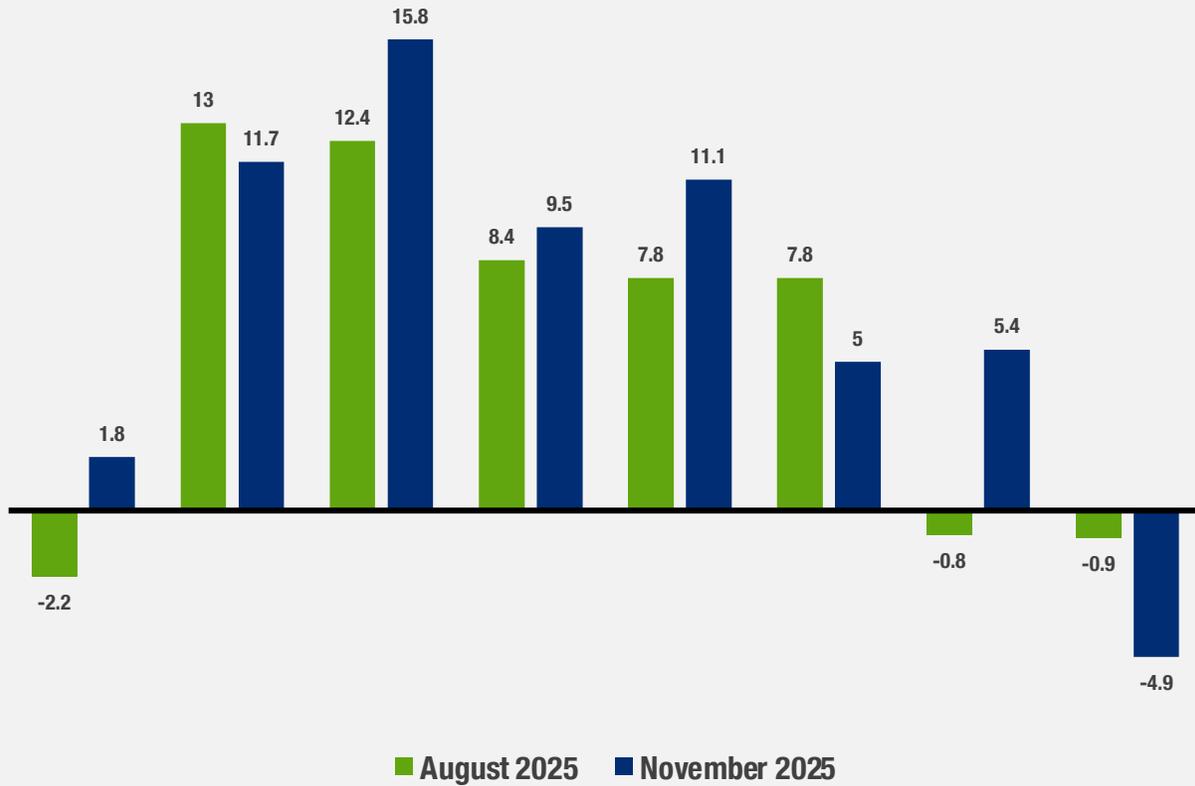


**Commercial services trade growth has moderated, with travel services easing from earlier double-digit growth rates.**



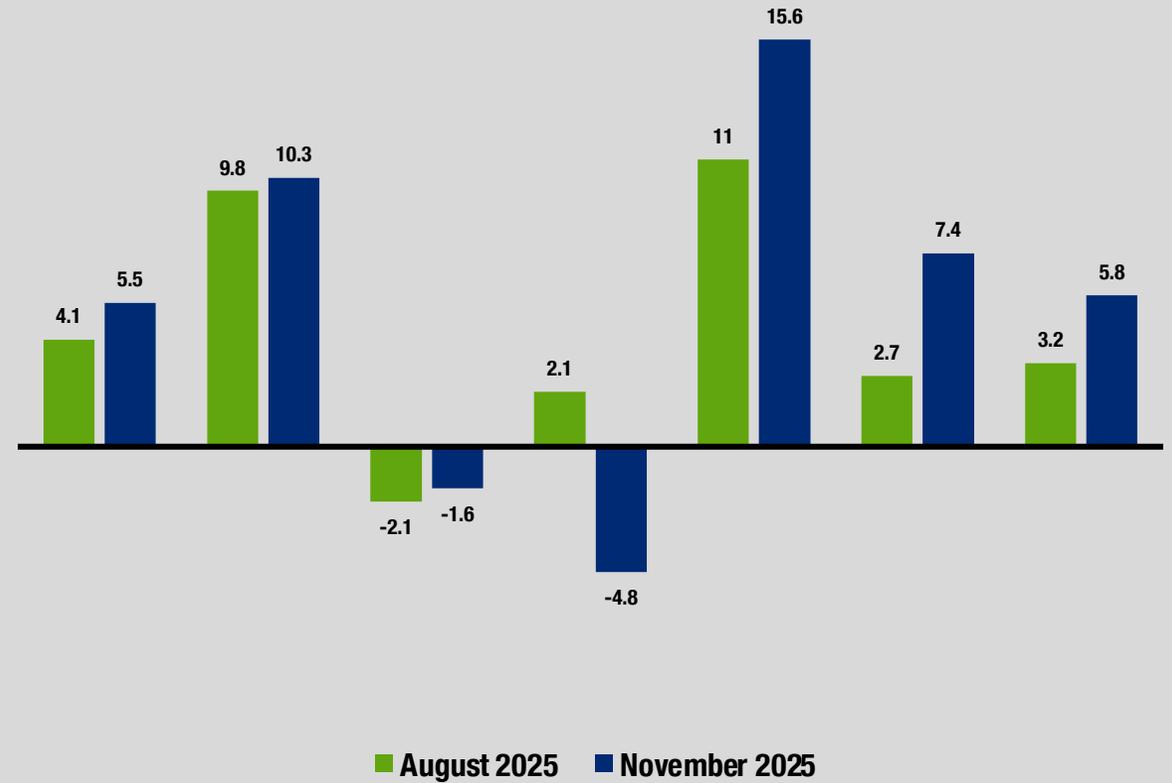
## Air Freight Volume Growth (% , y-o-y)

Asia-North America    Asia-Europe    Within Asia    Asia-Africa    Asia-Middle East    Europe-North America    Europe-Middle East    Within Europe



## Air Cargo Tonne Kilometres Growth (% , y-o-y)

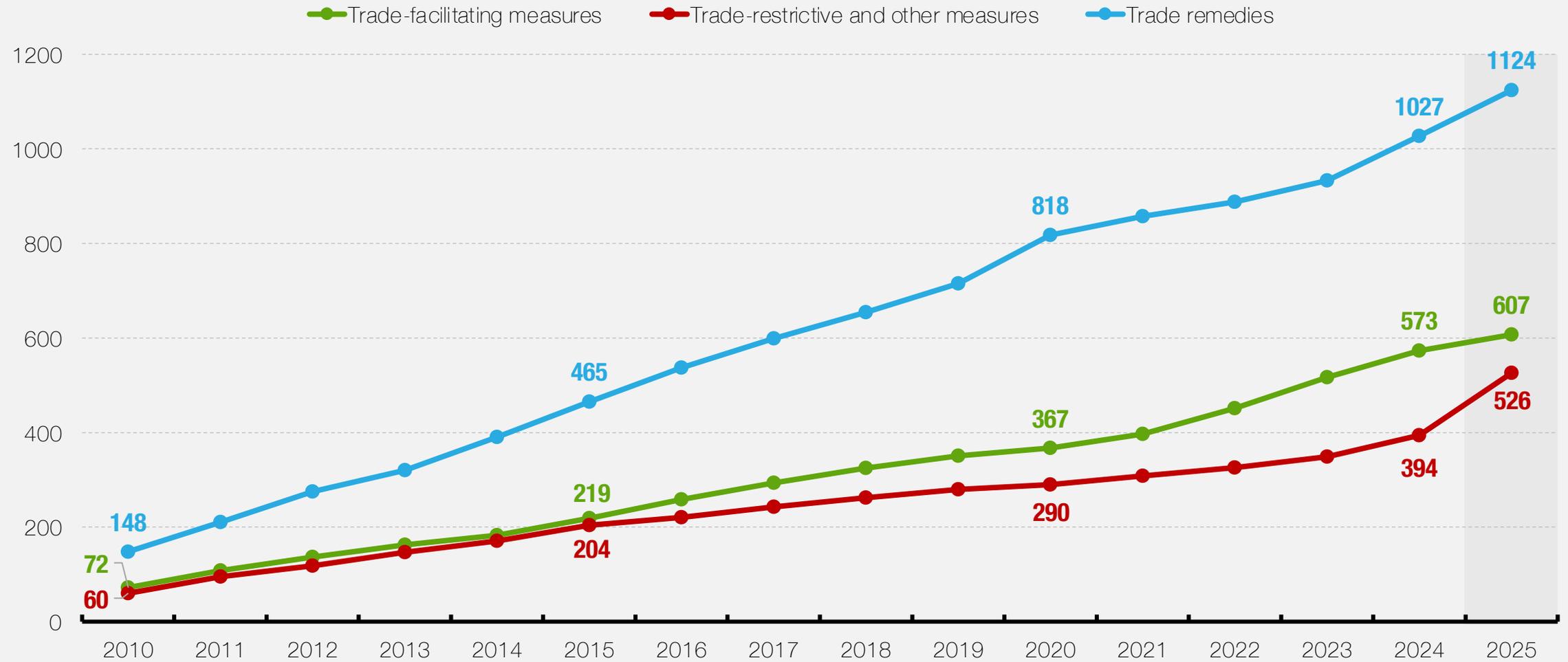
Total Market    Asia-Pacific    North America    Latin America & Caribbean    Africa    Middle East    Europe



**Air freight traffic has adapted to shifts in trade flows, with strengthening intra-Asia and extra-regional trade activity.**

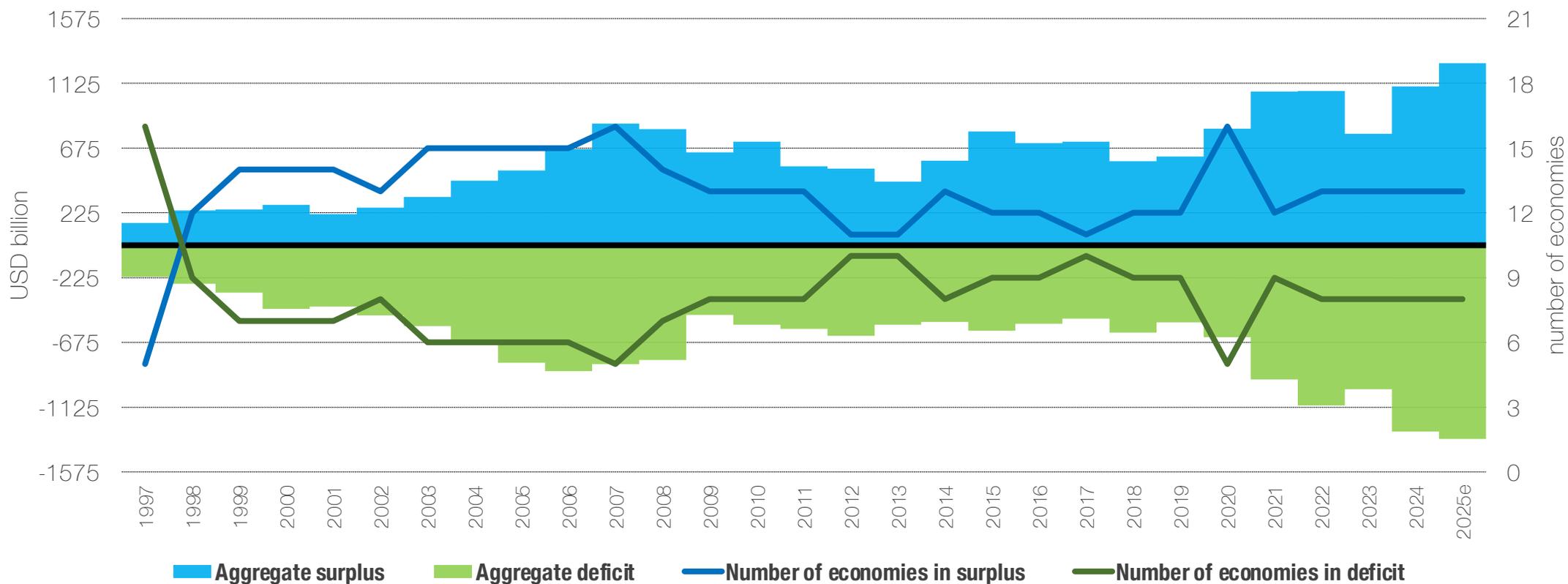


## APEC Trade Measures in Force (accumulated number)



**Trade-restrictive measures have accelerated in 2025, driven by rising tariff and non-tariff barriers, intensifying longer-term headwinds to global trade.**

## Current Account Balances in APEC (USD billion, number of economies)



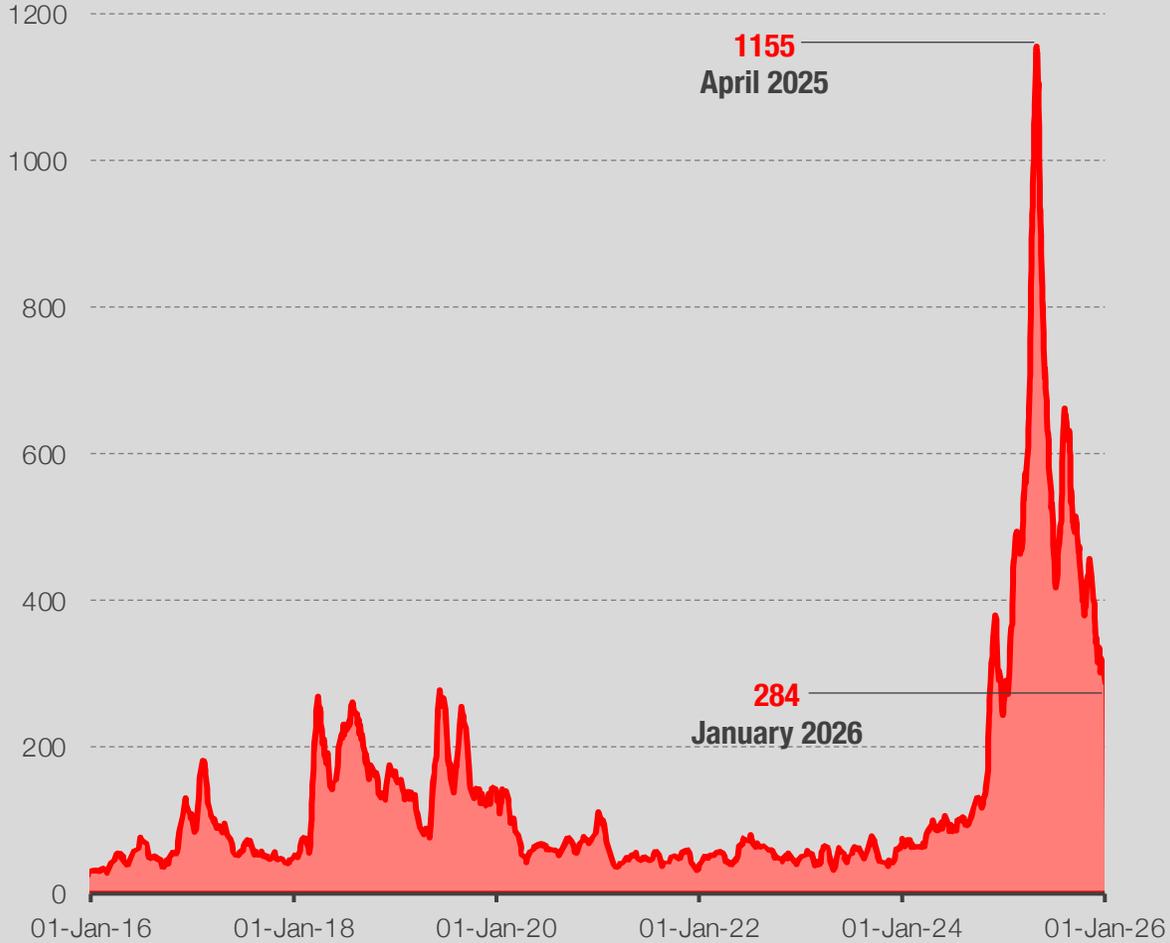
Note: Aggregate balances are calculated as the sum of current account surpluses (deficits) across economies in surplus (deficit). 2025 value is an estimate.

**Widening imbalances stem from differences in savings, investment, and competitiveness, increasing exposure to external shocks and highlighting the need for structural realignment.**



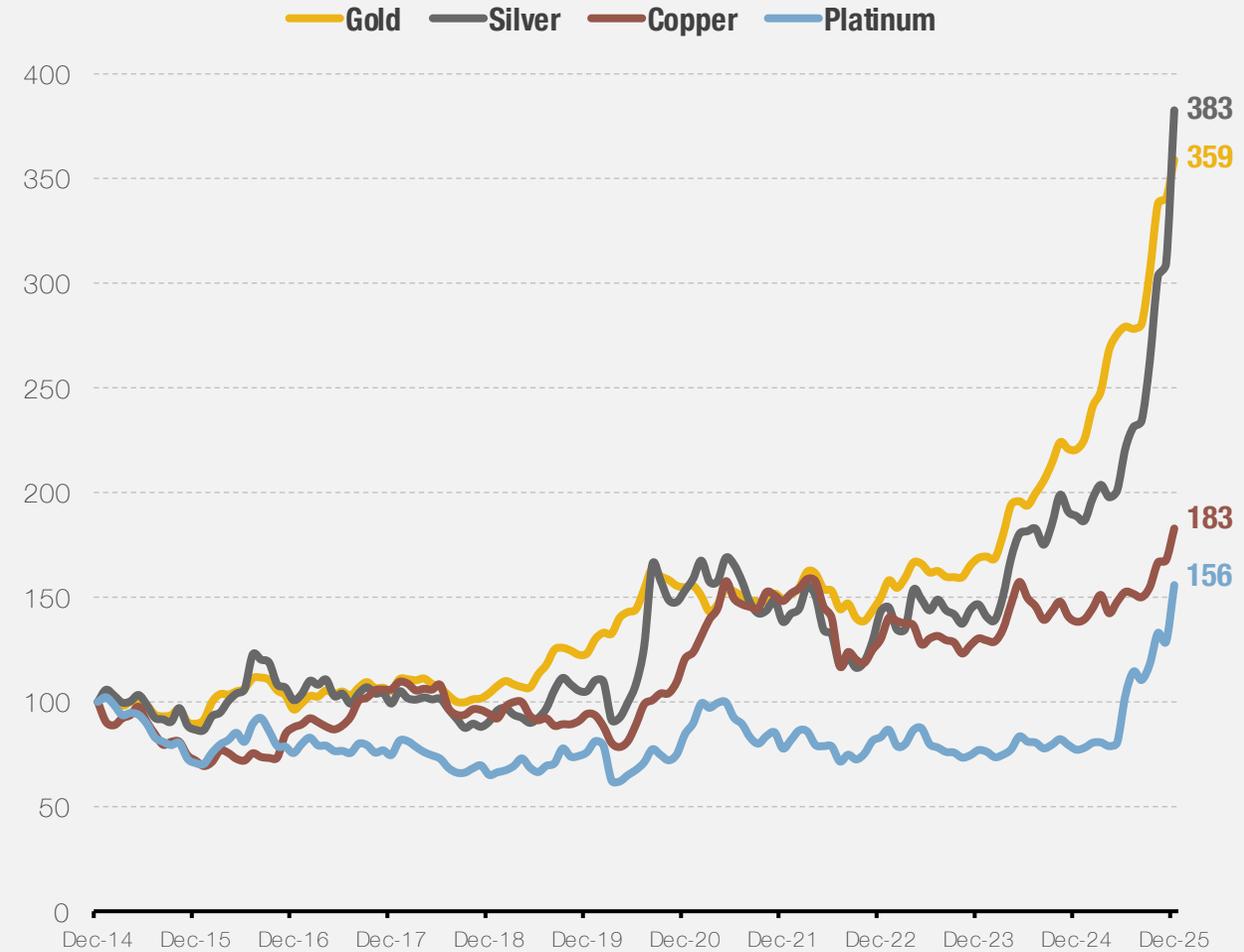
## Trade Policy Uncertainty

(Index, September 2024=100, 30-day moving average)

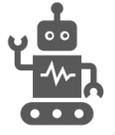


## Metal Prices

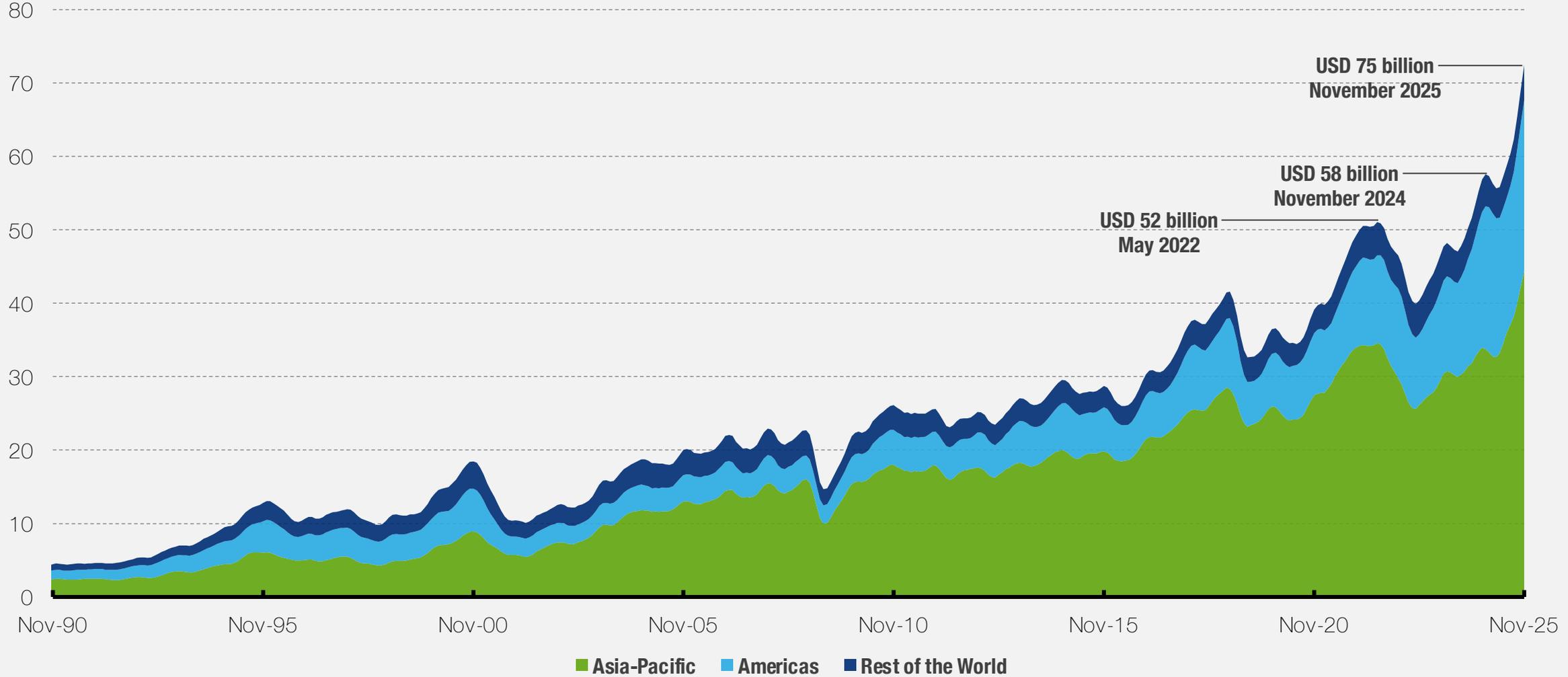
(Index, December 2014=100)



**Despite easing from recent peaks, elevated trade policy uncertainty, alongside strong safe-haven investments and industrial demand, continues to support metal prices.**



# Semiconductor Industry Billings (USD billion)



**AI-driven record high semiconductor billings are raising concentration risks and concerns about whether investment will translate into increased profits and productivity.**

Source: World Semiconductor Trade Statistics; APEC PSU staff calculations

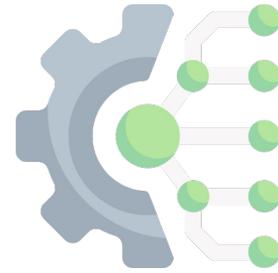


## Policy Priorities: Reinforcing Resilience, Enhancing Adaptability



### **CREDIBLE ECONOMIC MANAGEMENT**

Leverage easing inflation to support growth while maintaining policy credibility and strengthening prudential oversight, underpinned by strong institutions to ensure coherent, market-friendly policies and minimize uncertainty.



### **INCLUSIVE AND PRODUCTIVITY- ENHANCING REFORM**

Complement rising AI investment with stronger skills development, greater labor market mobility, more competitive market structures and reliable infrastructures to ensure productivity gains are sustainable and shared by all.



### **ADAPTIVE REGIONAL COORDINATION**

Regional cooperation should play a stabilizing role by deepening policy coordination, enhancing information sharing, and strengthening institutional adaptability, with APEC serving as a platform to reinforce predictability and build confidence amid persistent uncertainty.

**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.

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**Asia-Pacific  
Economic Cooperation**

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