



مركز الإحصاء - أبوظبي
STATISTICS CENTRE - ABU DHABI

Selected Macroeconomic Indicators

2009

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Introduction

This report contains selected macroeconomic indicators including foreign merchandise trade statistics, expenditure by Government on education and health as well as Government final consumption expenditure. It presents an analysis of the total value of foreign merchandise trade from 2005 to 2009. Included are the individual foreign merchandise trade components of non-oil merchandise exports, merchandise imports and merchandise re-exports for 2008 and 2009. The foreign merchandise trade balance including oil as well as the foreign merchandise trade balance excluding oil is also presented for the reference period 2005 to 2009. The report also shows the non-oil merchandise export, merchandise imports and merchandise re-exports by selected commodity groups for 2008 and 2009. In addition, the indicators of government expenditure on education and on health are presented for the 2009 reference year.

The statistics in this release are calculated using administrative data from the Department of Finance. Statistics Centre Abu Dhabi compiles and disseminates foreign trade data in accordance with the Standard International Trade Classification – Revision 4 (SITC4) as well as by Broad Economic Category (BEC) and in accordance with the Harmonized Commodity and Coding System (HS). SCAD publications of foreign trade statistics can be accessed from the SCAD website <http://www.scad.ae> by visiting the Statistics section on the website's Home page.

The Technical Notes section explains the technical concepts mentioned in this report and provides additional information about the valuation methodology, definition of foreign trade and classification systems used.

Executive summary

- The total value of foreign merchandise trade (oil exports plus non-oil merchandise exports plus merchandise re-exports plus merchandise imports) decreased from AED 463,122 million in 2008 to AED 308,699 in 2009 or by 33.3 per cent.
- Non-oil exports of merchandise increased by 52 per cent from AED 6,252 million in 2008 to AED 9,501 million in 2009. This increase could mainly be attributed to merchandise exports of the manufacturing industries.
- The value of merchandise imports increased by 4 per cent from AED 90,277 million in 2008 to AED 93,872 million in 2009. Imports of "Manufactured" goods contributed 88.7 per cent of total merchandise imports in 2009 and increased by 2.5 per cent from 2008 to 2009.
- Merchandise re-exports increased by 39.3 per cent from AED 6,242 million in 2008 to AED 8,694 million in 2009. This increase could mainly be attributed to merchandise exports of manufacturing industries.
- The non-oil trade balance changed from a deficit of AED 77,783 million in 2008 to a deficit of AED 75,677 million in 2009 as the increase in non-oil merchandise exports and re-exports outweighed the higher value of merchandise imports during this period.
- The overall merchandise trade surplus (including oil) amounted to AED 282,568 million in 2008 but declined to AED 120,955 million in 2009 or by 57.2 per cent. Following a drop in the price of oil, the value of oil exports decreased by 45.4 per cent
- Total expenditure on education in Abu Dhabi emirate increased from AED 4,961 million in 2008 to AED 7,550 million in 2009 or by 52.2 per cent.
- Expenditure by the Abu Dhabi government on health increased from AED 7,067 million in 2008 to AED 11,749 million in 2009 or by 66.3 per cent.
- Government final consumption expenditure amounted to AED 51,534 million in 2009.

Total Value of Foreign Merchandise Trade

The total value of foreign merchandise trade was AED 463,122 million in 2008 but decreased by 33.3 per cent to AED 308,699 million in 2009. The degree of openness of the economy can be measured by the ratio of total foreign merchandise trade to GDP. This ratio increased from 61.9 per cent in 2007 to 65.7 per cent in 2008 but fell to 57.7 per cent in 2009.

Table 1: Openness of the economy

(Million AED)

	2005	2007	2008	2009
Total Value of Foreign Merchandise Trade ⁽¹⁾	231,034	337,621	463,122	308,699
GDP (Current Prices)	383,430	545,367	705,159	535,311
Openness of the economy	60.3	61.9	65.7	57.7

⁽¹⁾ oil exports + non-oil merchandise exports+ merchandise re-exports + merchandise imports

Source: Statistics Centre - Abu Dhabi

Non- Oil Exports of Merchandise

Abu Dhabi non-oil exports of merchandise increased by 52 per cent from AED 6,252 million in 2008 to AED 9,501 million in 2009. This increase could mainly be attributed to merchandise exports of the manufacturing industries which contributed 93 per cent of total non-oil merchandise exports in 2009 compared with 88.8 per cent in 2008. Merchandise exports of "Ores and metals" increased by 122.4 per cent over the same period and contributed 2.3 per cent of total non-oil merchandise exports in 2009 compared with a contribution of 1.6 per cent in 2008. Food exports fell by 26 per cent over the same period.

Table 2: Non-Oil Exports of Merchandise

(Million AED)

	2008	2009
Agricultural raw materials	16.4	17.2
Food products	521.1	385.8
Manufactured products	5,549.6	8,838.3
Ores and metals	97.2	216.1
Other goods	67.8	43.4
Total	6,252	9501

Source: Statistics Centre - Abu Dhabi

Imports of Merchandise

The value of merchandise imports increased by 4 per cent from AED 90,277 million in 2008 to AED 93,872 million in 2009. Imports of “Manufactured” goods contributed 88.7 per cent of total merchandise imports in 2009 and increased by 2.5 per cent from 2008 to 2009. “Food” imports decreased by 1.4 per cent in 2009 while “Ores and metal” imports increased by 46.5 per cent. At the same time, imports of “Other goods” increased from AED 1,681.7 million in 2008 to AED 2,820.5 in 2009.

Table 3: Imports of Merchandise

(Million AED)

	2008	2009
Agricultural raw materials	613.8	322.2
Food products	5,014.5	4,945.8
Manufactured products	81,245.5	83,260.8
Ores and metals	1,721.6	2,522.9
Other goods	1,681.7	2,820.5
Total	90,277	93,872

Source: Statistics Centre - Abu Dhabi

Re- Exports of Merchandise

Abu Dhabi merchandise re-exports increased by 39.3 per cent from AED 6,242 million in 2008 to AED 8,694 million in 2009. This increase could mainly be attributed to merchandise exports of manufacturing industries which contributed 92.3 per cent of total merchandise re- exports in 2009 compared with 88.6 per cent in 2008. Re-exports of “Agricultural raw materials”, “Food” and “Ores and metals” decreased during 2009.

Table 4: Re-Exports of Merchandise

(Million AED)

	2008	2009
Agricultural raw materials	31.1	24.7
Food products	115.9	77.0
Manufactured products	5528.9	8024.2
Ores and metals	43.2	12.7
Other goods	522.9	555.6
Total	6,242	8,694

Source: Statistics Centre - Abu Dhabi

Merchandise Trade Balance (Excluding Oil)

The deficit on the non-oil merchandise trade balance increased significantly from 2005 to 2008 mainly due to the higher value of merchandise imports which was only partly offset by increases in the value of non-oil merchandise exports. However, the non-oil trade balance changed from a deficit of AED 77,783 million in 2008 to a deficit of AED 75,677 million in 2009 as the increase in non-oil merchandise exports and merchandise re-exports outweighed the higher value of merchandise imports during this period. Non-oil merchandise exports to Qatar, Saudi Arabia, China, India and Oman contributed most to the higher value of non-oil merchandise exports.

Table 5: Merchandise Trade Balance (Excluding Oil)

(Million AED)

	2005	2007	2008	2009
Non-oil merchandise exports	3,186	5,805	6,252	9,501
Merchandise re- exports	7,922	5,615	6,242	8,694
Merchandise imports	35,214	63,343	90,277	93,872
Merchandise Trade Balance	-24,106	-51,923	-77,783	-75,677

Source: Statistics Centre - Abu Dhabi

Merchandise Trade Balance (Including Oil)

The overall merchandise trade surplus (including oil) amounted to AED 282,568 million in 2008 but declined to AED 120,955 million in 2009 or by 57.2 per cent. Following a drop in the price of oil, the value of oil exports decreased by 45.4 per cent from AED 360,351 million in 2008 to AED 196,632 million in 2009. In addition, the value of merchandise imports increased by 4.0 per cent. The decrease in the value of oil exports and higher value of merchandise imports were partly offset by the higher values of non-oil merchandise exports and merchandise re-exports.

Table 6: Merchandise Trade Balance (Including Oil)

(Million AED)

	2005	2007	2008	2009
Oil exports	184,712	262,858	360,351	196,632
Non-oil merchandise exports	3,186	5,805	6,252	9,501
Merchandise re- exports	7,922	5,615	6,242	8,694
Merchandise imports	35,214	63,343	90,277	93,872
Merchandise Trade Balance	160,606	210,935	282,568	120,955

Source: Statistics Centre - Abu Dhabi

Government Expenditure on Education and Health

Total expenditure on education in Abu Dhabi Emirate increased from AED 4,961 million in 2008 to AED 7,550 million in 2009 or by 52.2 per cent. This expenditure includes the Abu Dhabi Government spending plus the Abu Dhabi share of federal government spending on education.

Basic education acquired the largest proportion of spending, amounting to AED 5,415 million in 2009 compared with AED 3,760 million in 2008. However, the share of expenditure on basic education fell from 75.8 per cent of total government expenditure on education in 2008 to 71.7 per cent in 2009 as expenditure on higher education increased by proportionally more than the spending on basic education over the same period. In 2009, government spending on higher education rose by 77.8 per cent compared with 2008 while spending on basic education rose by 44 per cent.

Table 7: Government Expenditure on Education

(Million AED)

Type of Education	2008	2009
Basic Education	3,760	5,415
Higher Education	1,201	2,135
Total	4,961	7,550

Source: Statistics Centre - Abu Dhabi

Expenditure by the Abu Dhabi Government on health increased from AED 7,067 million in 2008 to AED 11,749 million in 2009 or by 66.3 per cent. This expenditure includes the Abu Dhabi Government's spending plus the share of Abu Dhabi in federal government spending on health.

Government Final Consumption Expenditure

Government final consumption expenditure amounted to AED 51,534 million in 2009 including spending by both the Abu Dhabi Government and the share of Abu Dhabi in federal government spending.

About 22.8 per cent of total government expenditure in 2009 could be attributed to the health sector and 14.7 per cent to the education sector.

Technical Notes

The trade balance can be defined as a systematic record of transactions related to goods exchanged between residents in a specific country and residents in the rest of the world during a certain period. The Trade Balance is part of a larger macroeconomic framework which records payments for exchanged goods and services between residents of an economy and non-residents called the Balance of Payments.

Valuation of merchandise exports and merchandise imports

The value of merchandise exports is calculated on a Free On Board (FOB) basis, which includes the value of merchandise in addition to all related costs of services used to distribute the merchandise to the customs border of the country exporting the merchandise.

The value of merchandise imports is calculated on a Cost Insurance Freight (CIF) basis, which includes the value of the merchandise in addition to all paid distributive costs up to the border of the importing country.

Merchandise imports

Merchandise imports are goods that enter Abu Dhabi's customs and economic district from various parts of the world, excluding other emirates in the state, and receive customs clearance. Merchandise are considered imports regardless of whether they enter the emirate directly or are retrieved from customs warehouses, temporary entry areas or free zones inside the emirate since such goods have gone through customs clearance and become part of Abu Dhabi's merchandise balance.

Merchandise re-exports

Merchandise re-exports represent merchandise that are imported from abroad, into Abu Dhabi's customs and economic district. These merchandise are then re-exported without any modifications.

Non-oil merchandise exports

Non-oil merchandise exports represent merchandise (excluding oil) that are entirely produced locally or in whose production process local resources are used.

Data source

Data are obtained from Department of Finance and the Ministry of Finance. The data are processed and passed to Statistic Centre – Abu Dhabi for further editing and compilation.

Classification

SCAD compiles foreign trade statistics in accordance with the Standard International Trade Classification – Rev 4 (SITC4), Broad Economic Categories (BEC) and Harmonized Commodity and Coding System (HS).