Trade linkages between advanced economies (AEs) and emerging market economies (EMEs) have increased sharply in recent years. Exports from advanced economies to emerging market economies are concentrated in capital-related goods (namely, machinery and transportation equipment), whereas imports from emerging market economies continue to be dominated by commodity and low-technology manufacturing goods.

Sources: IMF, Direction of Trade Statistics database; and U.N. Commodity Trade Statistics Database.

1Euro area = France, Germany, Italy, and Spain. Unweighted average.