



COURSE ON KEY ISSUES ON THE INTERNATIONAL ECONOMIC AGENDA

Short courses for Permanent Missions in Geneva
Organised by the Division on Technology and Logistics-Technology, Innovation and
Knowledge Development Branch
Policy Capacity Building Section / P166 courses

Forecast on the global economy and its trends: Uncertainty and the Global Trade-Finance Nexus

Monday, 10 November 2025
Delivered by the Division on Globalization and Development Strategies
UNCTAD

PROGRAMME

Geneva, Palais des Nations		Room XVI
10:00-10:15	Welcome address , Mr. Angel Gonzalez, Head, Technology, Innovation and Knowledge Development Branch, UNCTAD. Moderator, Ms. Randa Jamal, Economic Affairs Officer, Policy Capacity Building Section/P166, Technology, Innovation, and Knowledge Development Branch-DTL, UNCTAD	
10:15-10:30	Introductory remarks , Ms. Anastasia Nesvetailova, Division on Globalization and Development Strategies, UNCTAD	
10:30-11:15	Session 1 – UNCTAD forecast on the global economy and its trends This session will draw on insights from the Trade and Development Foresights 2025 and the forthcoming Trade and Development Report 2025, both examining the current global economic landscape and its prospects. It highlights how system-wide uncertainty in trade rules, integration strategies, and geoeconomic confrontations, particularly affecting developing economies, have evolved. Longer-term structural shifts and lowered growth expectations in the Global South are also explored, as external shocks, rising debt-service costs, and entrenched inequalities continue to constrain development prospects. Presented by Mr. Cambiz Daneshvar, Division on Globalization and Development Strategies, UNCTAD Q&A	
11:30-12:15	Session 2 – Trade and Finance Nexus, what is next? This session will zoom in on international trade in an era of policy shifts and financialization. Exceptional policy shifts throughout 2025 – whether in terms of scale, scope or speed – have plunged the world trade landscape into heightened uncertainty. While merchandise flows have been in the spotlight, more profound multidimensional shifts have continued to reshape global trade. These sudden shocks and longer-term transformations both reflect a complex interplay of macroeconomic reorientation, driven by stronger government footprints, inward-looking industrial policies, geopolitical tensions and rapid technological change. These forces will continue to shape the world economy and international trade in the years ahead. The current policy stance is likely to further strain an already fragile global economic environment. Against this backdrop, this session will first review recent developments in trade flows and trade policy and offers insights on the short-term outlook. Stepping back from the financial market gyrations that dominate the daily	

	<p>news, this session will explore the cyclical interlinkages between finance and trade – more precisely, the financial channels through which trade is affected. Understanding these dynamics is key to strengthening trade resilience as concerns mount over potential financial turbulence in the short to medium term. At a time of elevated financial asset prices, heightened stock market volatility and growing vulnerabilities in the financial system – partly compounded by efforts to reassess some safeguards introduced after the 2008 global financial crisis – it is essential to gain closer insights into how financial instability can spill over into trade. Drawing from this exploratory analysis, this session will conclude with policy recommendations.</p> <p>Presented by Mr. Nicolas Maystre, Division on Globalization and Development Strategies, UNCTAD</p> <p>Q&A</p>
12:15-13:00	<p>Session 3 – The financial architecture of global food trading: New patterns and emerging risks</p> <p>This session will discuss how major commodity trading firms have evolved beyond traditional trade intermediation, becoming critical nodes not only in supply chains but also in the financial networks that connect banks, capital markets and commodity producers. It will also address how new financial intermediaries have transformed the institutional framework of trade finance and how they work in ways that could amplify, rather than contain, financial shocks.</p> <p>Today, income from financial intermediation represents more than 75 per cent of revenues for major food trading companies globally. The pricing of food and energy commodities increasingly reflects financial strategies over economic fundamentals. Also, in 2024, at least 6 of the top 11 food traders actively engaged in financial securitization – a mechanism that amplifies liquidity but also increases leverage. The scale of this leverage creates risks that transcend traditional financial stability concerns. Overall, the post-2010 financial architecture of global food trading is underpinned by practices that create large international counterparty risks across at least 80 countries.</p> <p>Against this backdrop, this session will emphasize that the financialization of food trading shows that reliance on firm-based supervision and self-regulation is inadequate to address evolving systemic risks. Regulating the current structure of commodity trading requires new approaches to crisis management that can address both operational continuity and financial stability. Rather than focusing primarily on leverage constraints among individual entities, policymakers need to address the systemic effects that leverage creates through its interaction with market structures, the information architecture and trading networks. Given the new landscape of systemic risk in commodity trade, regulators must modernize oversight to protect market stability. Non-transparent financial and tax avoidance techniques in commodity sectors should come under policy scrutiny, given concerns about illicit financial flows, financial and trade integrity, and resource mobilization. Competition policy tools and cross-market approaches must play a more central role in addressing the vulnerabilities created by concentrated market structures in commodity trading. The stakes in developing effective approaches to systemic risks extend beyond financial stability. They encompass the resilience of commodity markets underpinning global food and energy security, as well as transparent commercial outcomes in commodities markets, such as price discovery and risk management.</p> <p>Presented by Ms. Anastasia Nesvetailova, Division on Globalization and Development Strategies, UNCTAD</p> <p>Q&A</p>

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The short course will draw on insights from this year's Trade and Development Report, which examines the global economic landscape of 2025. It highlights how system-wide uncertainty in trade rules, integration strategies, and geo-economic confrontations, particularly affecting developing economies, have evolved. Longer-term structural shifts and lowered growth expectations in the Global South are also explored, as external shocks, rising debt-service costs, and entrenched inequalities continue to constrain development prospects. A central theme is the trade–finance nexus: international trade—across commodities, manufactured goods, and services—is inseparable from financial mechanisms such as credit, banking, securitization, insurance, and capital markets. The report shows how monetary policy shocks and policy uncertainty feed into asset-price volatility, tighter financing conditions, and weaker investment, disproportionately affecting developing countries.

The analysis emphasizes the growing asymmetry between trade and finance. While the geography of merchandise trade has diversified with the rise of the Global South, global finance remains concentrated around dollar-based payment systems and private standards. This divergence increases systemic vulnerability and magnifies the risks of financial disturbances, spilling over into trade. In response, the report calls for integrated policy approaches, expanding development-safe trade finance, ensuring transparency in trade documentation, recalibrating financial integration to reduce currency and liquidity premia, and strengthening regional and South–South cooperation to address common shocks. It also highlights related risks and opportunities, arguing that targeted public investment, and improved access to climate and blended finance will help. Overall, the report frames today's pivot in globalization as an opportunity to recalibrate trade and financial governance to align with 21st-century development goals, ensuring systems remain resilient under persistent uncertainty.

By the end of the course, delegates will have deepened their knowledge on:

- The current global macroeconomic landscape.
- Strategies to address trade-finance nexus, debt sustainability and fiscal challenges.
- Opportunities and challenges presented by the current economic landscape.
- Innovative financing mechanisms and how debt can be managed and addressed.