standard chartered

Future of Trade

Navigating an age of structural uncertainty

Contents

The cover image draws inspiration from Kintsugi, the art of repairing broken pottery with gold, symbolising how strength and value can emerge, even from fragmentation through intent and innovation. It reflects how the intersection of structural uncertainty and accelerating digitalisation are reshaping the future of global trade and creating new connections across markets and ecosystems. As the pace of change continues to accelerate, this report focuses on the critical three-to-five-year horizon, where decisions made today will have the greatest impact on future competitiveness and resilience.

The message is clear: the future will not be defined by the fractures themselves, but by how boldly organisations reconnect them to create new sources of value and growth. For senior leaders, it is also a reminder that while disruption carries risks, the cost of standing still may be even greater.

Global trade is entering a new phase

For much of the past decade, businesses have been responding to a cascade of supply chain disruptions by diversifying, exploring new sourcing locations and reducing dependence on individual markets. Those strategies remain important. But this year's Future of Trade report points to a more fundamental shift in how companies are building resilience and positioning for growth.

Structural uncertainty and digitalisation are converging to reshape global trade. Geopolitical fragmentation, geo-economic competition and changing trade relationships are becoming enduring features of the operating environment. At the same time, digital technologies are creating new opportunities to improve visibility, efficiency and decision-making across increasingly complex trade ecosystems. In this environment, the greatest risk may no longer be disruption itself, but failing to adapt quickly enough.

One of the clearest messages from this report is that competitive advantage is becoming capability-led rather than location-led. After several years dominated by nearshoring, friendshoring and relocation, companies are placing less emphasis on redrawing their geographic footprint as the primary response to uncertainty. More than nine in ten businesses expect to adjust their supply-chain activities over the next three to five years, yet nearly 60 per cent anticipate neither entering nor exiting markets across sourcing, manufacturing and exporting activities.

This means that supply chains are being reconfigured without necessarily being relocated. Businesses are refining existing networks through stronger supplier strategies, better inventory management and capabilities that improve their ability to anticipate and respond to change.

The shift is significant. Resilience is being built through visibility, agility and connectivity that allow organisations to operate effectively across established networks.

Digitalisation sits at the centre of this transition. Four in five corporates report benefits from investment in digital capabilities, while 83 per cent say digital tools help them respond more quickly to supply-chain disruption. These capabilities are no longer viewed primarily as efficiency levers. They are becoming central to how companies manage complexity, optimise trade flows and capture commercial opportunities across multiple markets.

The potential economic impact is substantial. An illustrative Digital Acceleration scenario developed by Standard Chartered and Oxford Economics suggests that faster trade digitalisation could support USD2.8 trillion in additional global trade by 2031, equivalent to 6.9 per cent above baseline levels.

The benefits could be particularly important for services trade. Under the Digital Acceleration scenario, services trade could rise 11.4 per cent above baseline by 2031, twice the projected increase for goods, as better data flows, digital payments, interoperable systems and streamlined compliance reduce cross-border friction.

Strong digital foundations will determine which organisations lead in this next phase of global trade. Modern cloud infrastructure, integrated data and connected platforms are essential to unlocking the full potential of artificial intelligence, automation and emerging trade solutions. Already, 56 per cent of corporates see AI as highly relevant or transformational to advancing trade digitalisation.

Treasury's strategic evolution is already under way: over the next three to five years, 37 per cent of businesses plan to integrate treasury and supply-chain functions more closely, while an equal proportion intend to reshape their treasury strategy.

As treasury takes on this broader strategic role, companies will need connected solutions that provide greater visibility, faster access to working capital and stronger control of complex cross-border activity.

The organisations best positioned to shape the next chapter of global trade will be those that invest now in digital capabilities, integrated decision-making and effective partnerships.

We hope this report provides the insights businesses need to navigate that journey with confidence.

Roberto Hoornweg
Chief Executive Officer
Corporate & Investment Banking
Standard Chartered

Drawing on a survey of:

2,100
senior corporate leaders

27
markets

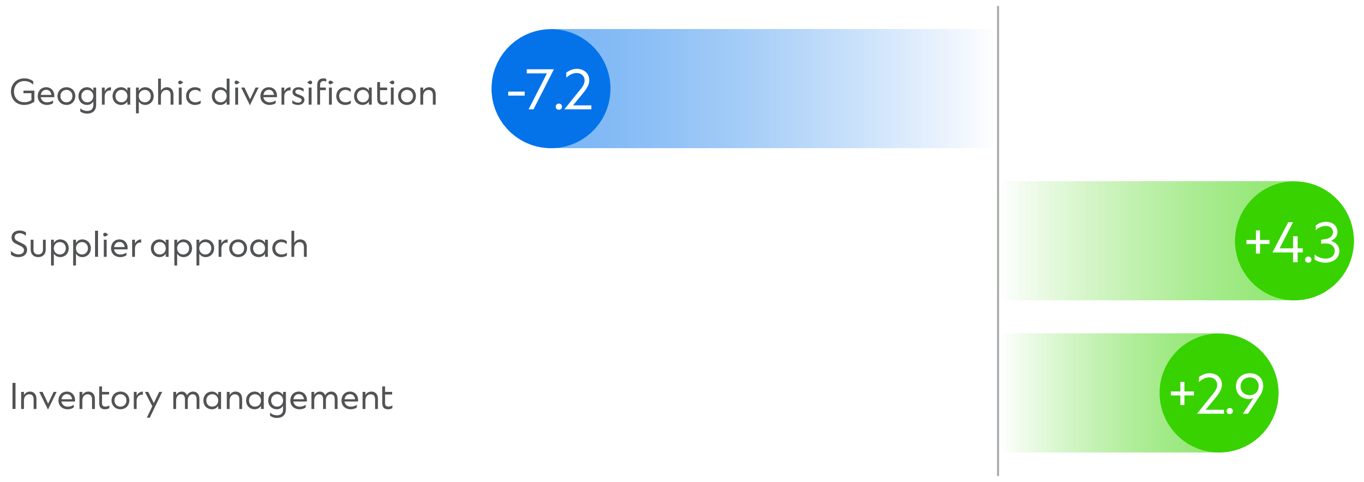
Building on the themes from last year's Future of Trade report, this edition takes a closer look at a world that is more real-time, more digital, and more uncertain than ever before. It explores how structural uncertainty and accelerated digitalisation are reshaping corporate decision-making and creating new avenues for growth despite heightened volatility.

Recognising that change is unfolding faster than ever, the report adopts a shorter three-to-five-year horizon, examining the strategic choices corporates are making today and quantifying what deeper geopolitical fragmentation and faster digitalisation could mean for the global economy through 2031.

Geographic reconfiguration is becoming less important

Reconfiguration is moving down the corporate agenda. Across sourcing, manufacturing and exporting on average 59 per cent of corporate leaders don't expect to enter new markets or exit current ones. The focus is shifting towards supplier strategies and internal capabilities.

Strategies for the next 3-5 years versus past year (percentage point change)

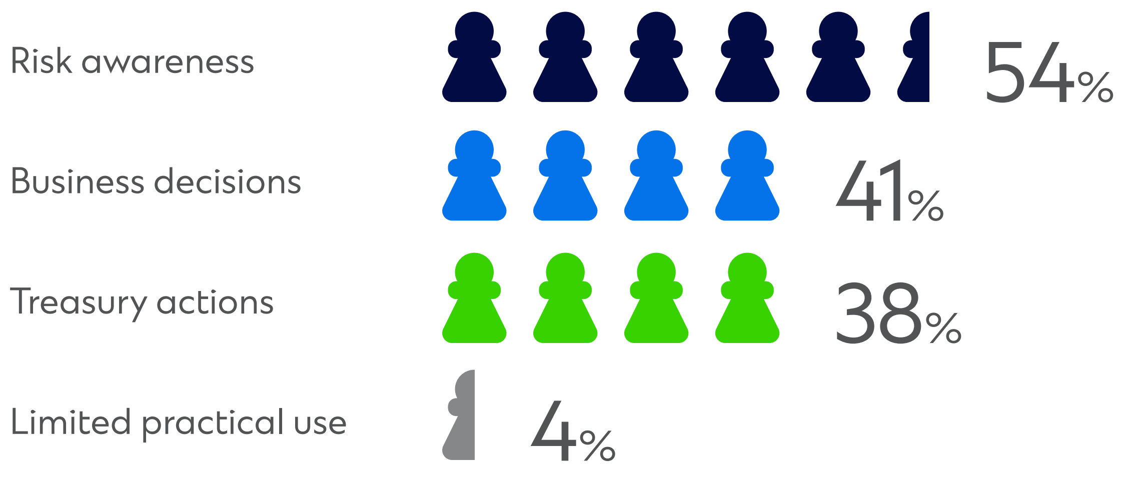


Need to leverage scenario planning and turn foresight into action

Trade risks increasingly interact across tariffs, currency movements, geo-economic actions, energy disruption and demand. Scenario modelling can help corporates understand not only where disruption could occur, but also its broader impact.

Yet many still don't use scenarios to inform their actions. While 54 per cent use scenario outputs to build risk awareness, only 41 per cent use them for business decisions and 38 per cent for treasury actions.

Use of scenario outputs in decision marking (%)



Digitalisation is now central to managing uncertainty

Digital tools are increasingly important for managing complexity. 83 per cent of corporates say they help them respond faster to supply-chain disruption, while 82 per cent say they improve decision-making through stronger visibility and forecasting across supply-chain and financial flows.

The value is increasingly operational as well as technological: digitalisation can improve visibility, connect financial and operational decisions, and help corporates respond faster as conditions change.

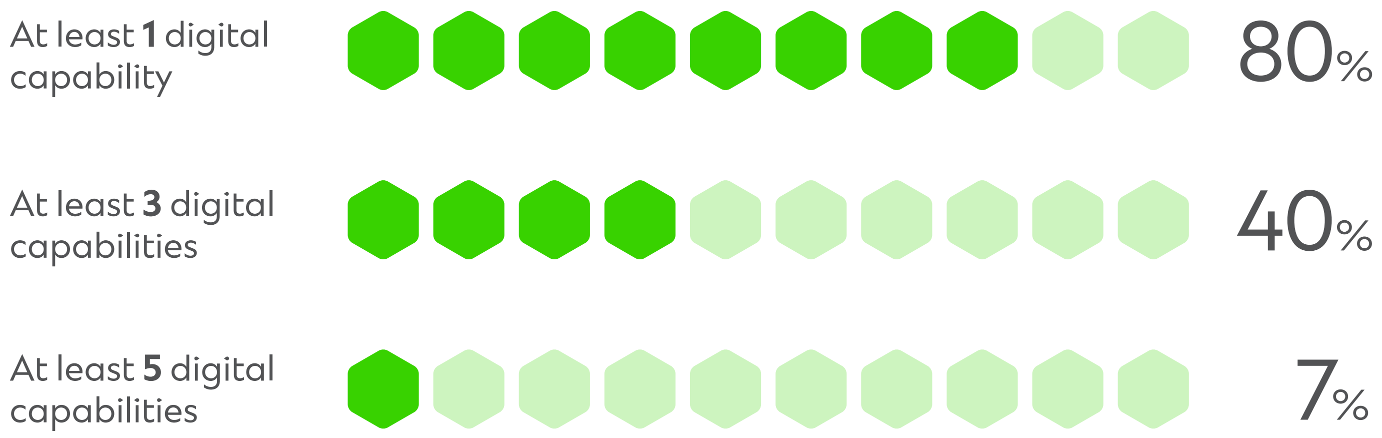
Share of corporates agreeing that digital tools... (%)

Digital leaders show what deeper adoption can deliver

Digitalisation is creating value, but few businesses are realising benefits at scale. Most report measurable gains from at least one digital capability, such as digital payments and collections; only a minority report gains across five or more.

Those that have – the digital leaders – use scenario tools more frequently, test multiple futures, and operate with more integrated treasury and supply-chain systems. They are also more likely to report stronger resilience to disruption, suggesting the advantage lies in embedding digital capabilities more deeply into how the business operates.

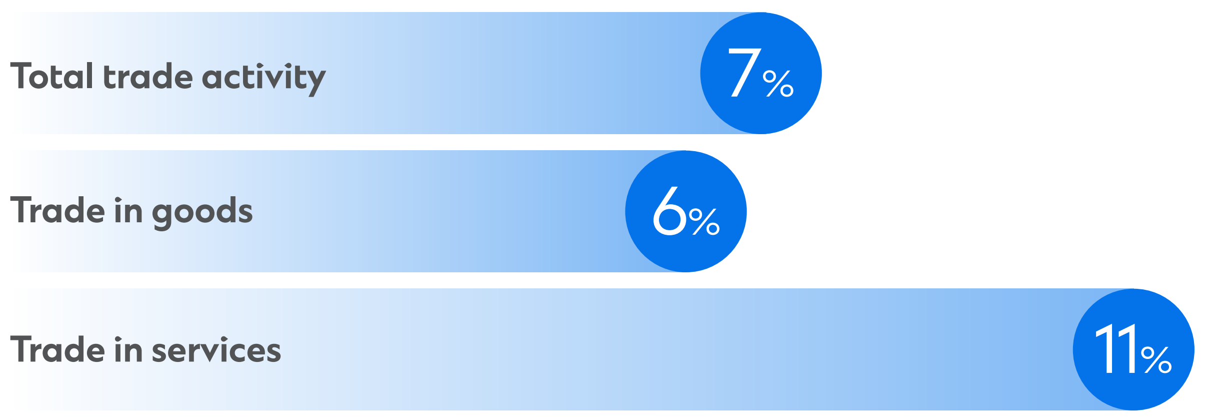
Share of corporates (%) reporting clear benefits in:



Digital acceleration could unlock a USD2.8 trillion trade opportunity

Oxford Economics' Digital Acceleration scenario (see page 31 for more detail) shows the potential scale of faster trade digitalisation. Global trade could be 6.9 per cent above baseline by 2031 – equivalent to a USD2.8 trillion gain – with services benefiting particularly strongly, as digitalisation widens markets for remotely deliverable and digitally connected services. Capturing this opportunity will require a coordinated investment by corporates, banks and governments in capabilities, infrastructure and interoperability.

Global trade under Digital Acceleration in 2031, as % difference from 2031 baseline forcast



Introduction:
What's changed since Future of Trade in 2025?

Building on last year's Future of Trade report, we review how the global trade environment has evolved, the major forces that are shaping the next 3-5 years, and outline why scenario planning is a critical capability to develop.

Uncertainty as usual

AI drives continued trade growth

Since last year's Future of Trade report, global trade has continued to grow. The United Nations Conference on Trade and Development (UNCTAD) estimates that the value of goods trade increased by around 12.5 per cent in the first half of this year compared with the same period in 2025, while services trade grew by 10.5 per cent.

AI demands have been at the centre expansion of this growth and have driven strong in technology-intensive goods, with the trade value of critical minerals increasing by 38 per cent, semiconductors by 25 per cent, and batteries by 15 per cent. Markets in Greater China & North Asia, which are heavily entrenched in the AI supply chain, have seen strong growth in exports, while trade has declined across other Asian subregions.

Higher prices account for a significant part of the increase in trade values, reflecting disruption from conflict and tariffs. The price of traded goods is estimated to have risen by 3.6 per cent in the first quarter of 2026 and 5.1 per cent in the second, while trade volumes are expected to increase by just 1.1 per cent this year.

Global goods trade rose 12.5 per cent year-on-year to USD13.7 trillion in H1 2026

Global goods trade

H1 2025
USD 12.2
trillion

H1 2026
USD 13.7
trillion

Geopolitical concerns remain prominent

Geopolitical considerations remain firmly at the top of the corporate agenda. Trade policy and technology continue to rank among the leading influences on global trade, while concerns around geo-economic actions and macroeconomic conditions have strengthened since last year's Future of Trade report.

Executives expect geopolitical pressures to intensify further, suggesting that businesses increasingly view structural uncertainty as a lasting feature of the global operating environment, rather than a temporary disruption.

While corporate leaders cannot predict the next policy intervention, they expect heightened uncertainty to persist. Success will depend not only on absorbing shocks, but building the resilience to operate in an environment where disruption is more frequent and more difficult to avoid.

Persistent uncertainty presents a material challenge

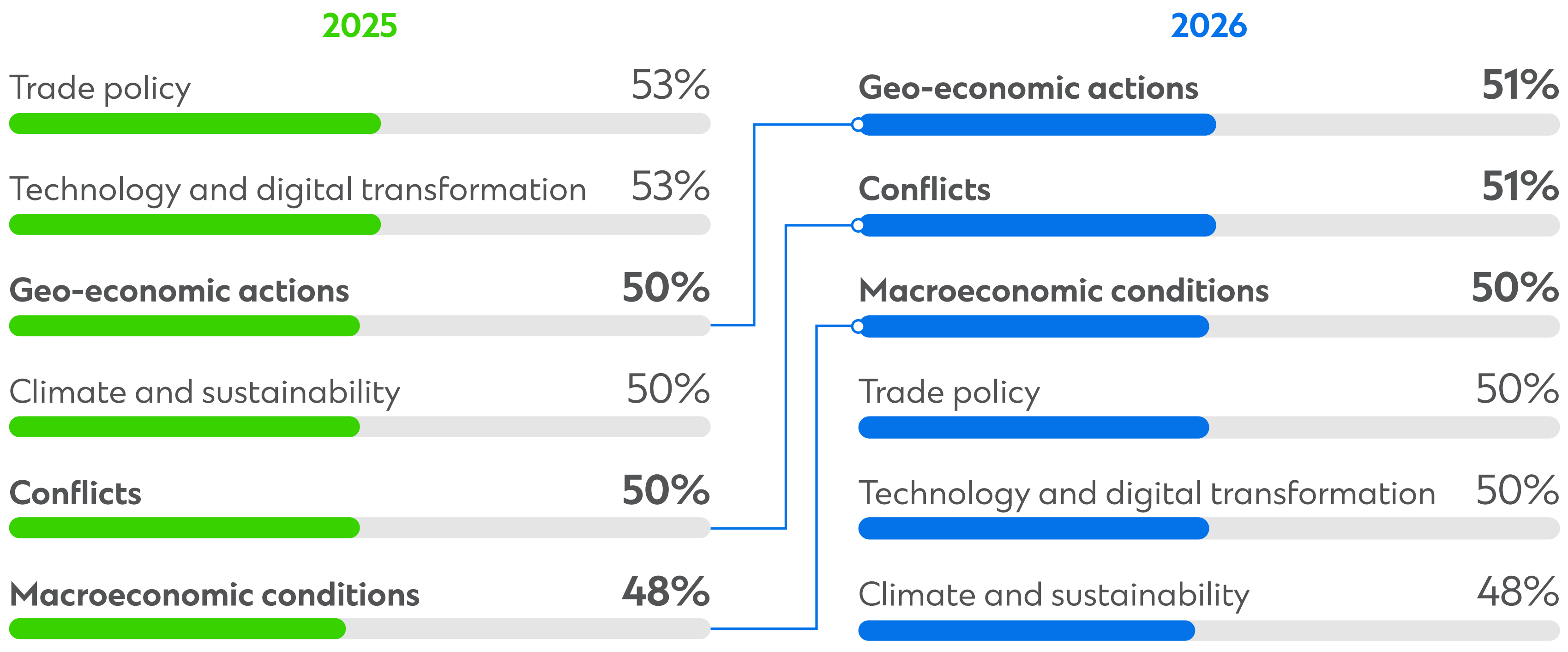
Although trade policy uncertainty has eased from recent peaks, it remains around twice its average level over 2015–2024, leaving businesses operating in a historically uncertain policy environment.

Geopolitical risk remains at an elevated level and has seen considerable spikes across the past year, resulting from a combination of different geopolitical events in different regions.

For many corporate leaders, the consequence goes beyond a higher risk environment, to a redistribution of opportunity. Managing trade, treasury, supply chains and growth strategies is becoming increasingly complex, requiring closer coordination and faster decision-making.

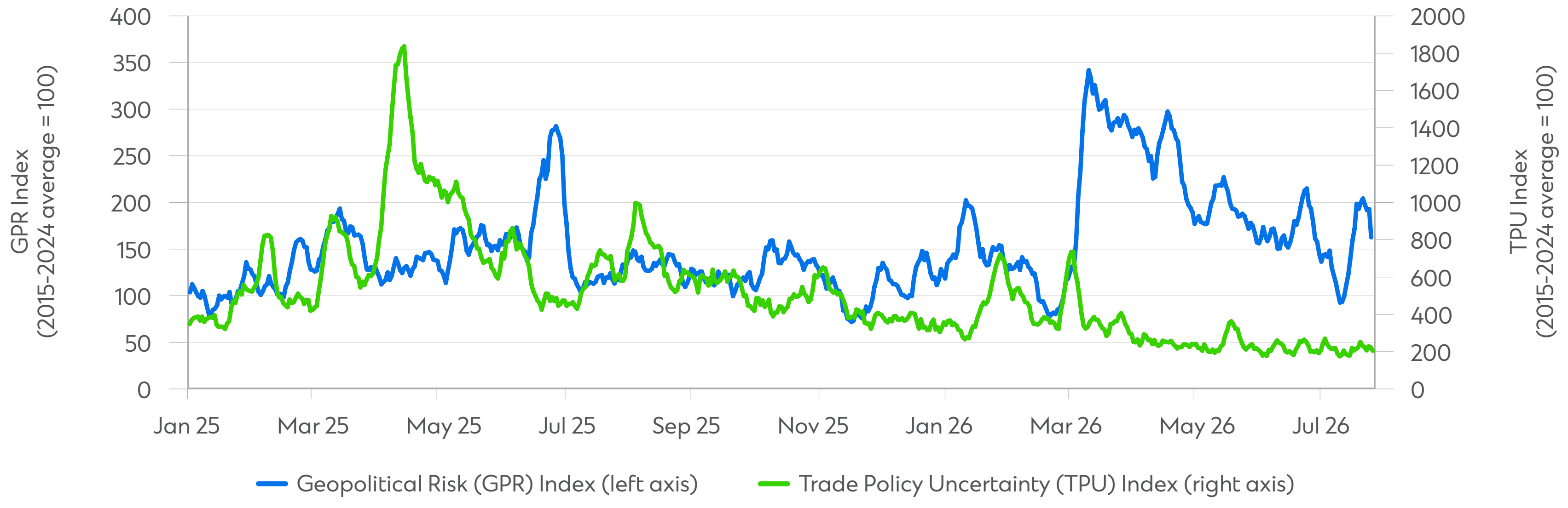
Geopolitical risks remain among the leading concerns for global trade

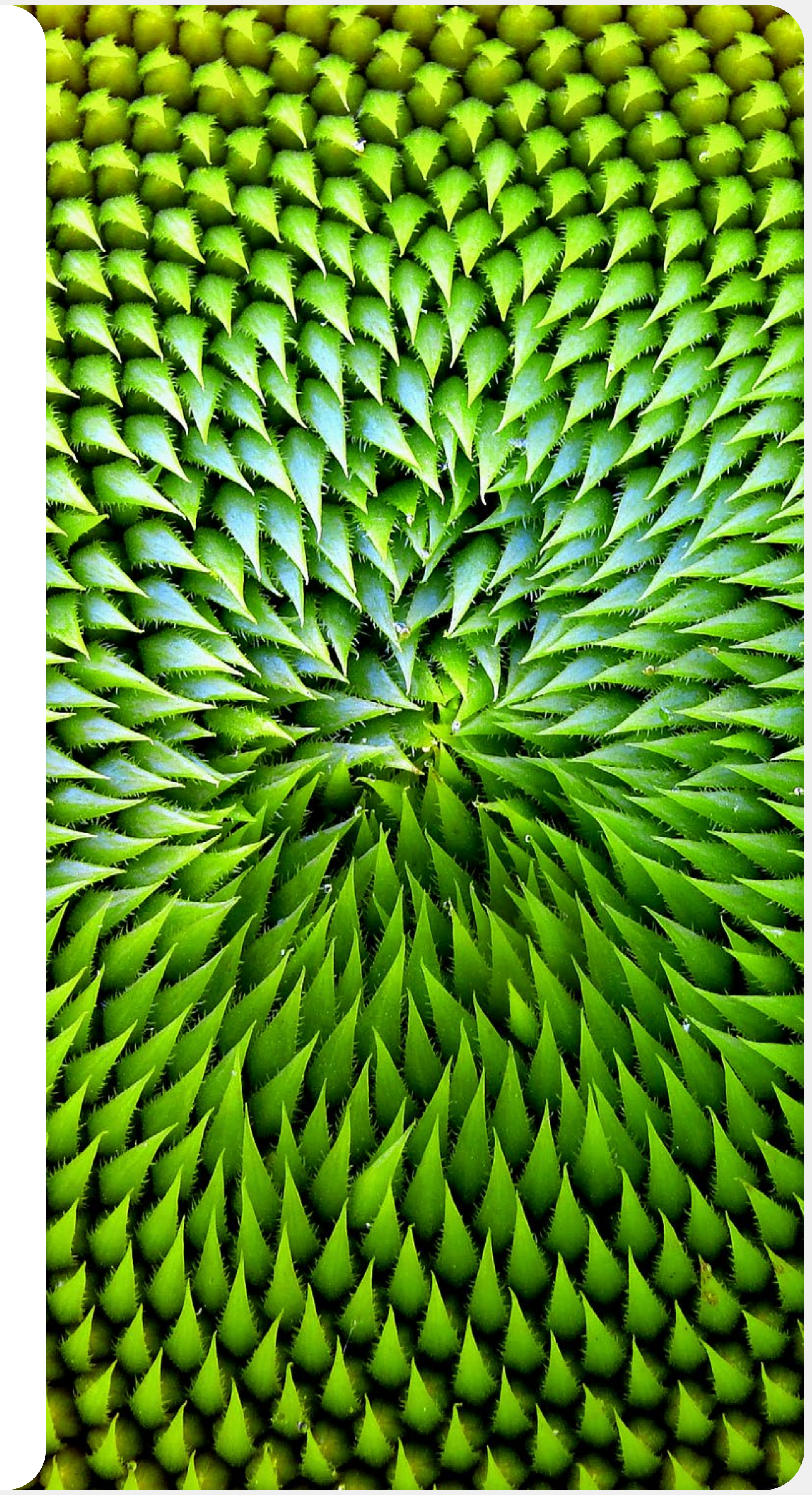
Share of corporates ranking issue among their top three factors expected to affect global trade (%)



Note: Comparisons with 2025 should be treated cautiously, as survey categories were defined differently in the previous study. In 2025, trade policy referred only to tariffs, while conflicts and geo-economic actions were grouped together as "geopolitical conflict". Macroeconomic conditions for 2025 takes the average of inflation/ consumer spending and global economic growth.

Trade policy uncertainty and geopolitical risk remain elevated in 2026





Ten markets in the spotlight

One year on: Our six stand-out markets last year

India leads all surveyed markets in net intention scores* for sourcing, manufacturing, and exports, highlighting strong corporate commitment despite its business complexity.

Mainland China continues to be a core manufacturing and sourcing hub. Its highly integrated industrial ecosystem, skilled workforce, and established infrastructure remain difficult to replicate at scale.

Malaysia remains a prominent sourcing market, supported by its strong electronics ecosystem and AI-related hardware production. The International Monetary Fund ranks it as the world's fourth-largest net exporter of AI-related hardware.

Indonesia is embedding itself as a key manufacturing and operations destination. Businesses are investing primarily to serve its growing domestic market, supported by local policies and incentives that encourage in-country production and market participation.

United States remains a strong sourcing market, reflecting increased international demand for its crude oil exports as global supplies tighten, alongside strength in other industrial products.

The **United Arab Emirates**, backed by abundant natural resources and well-developed derivatives industries, has seen continued interest from corporates. More corporates expect to enter or increase their presence in the market than exit or decrease, across sourcing, manufacturing and exporting activities.

Policy support and industrial strength lift other markets

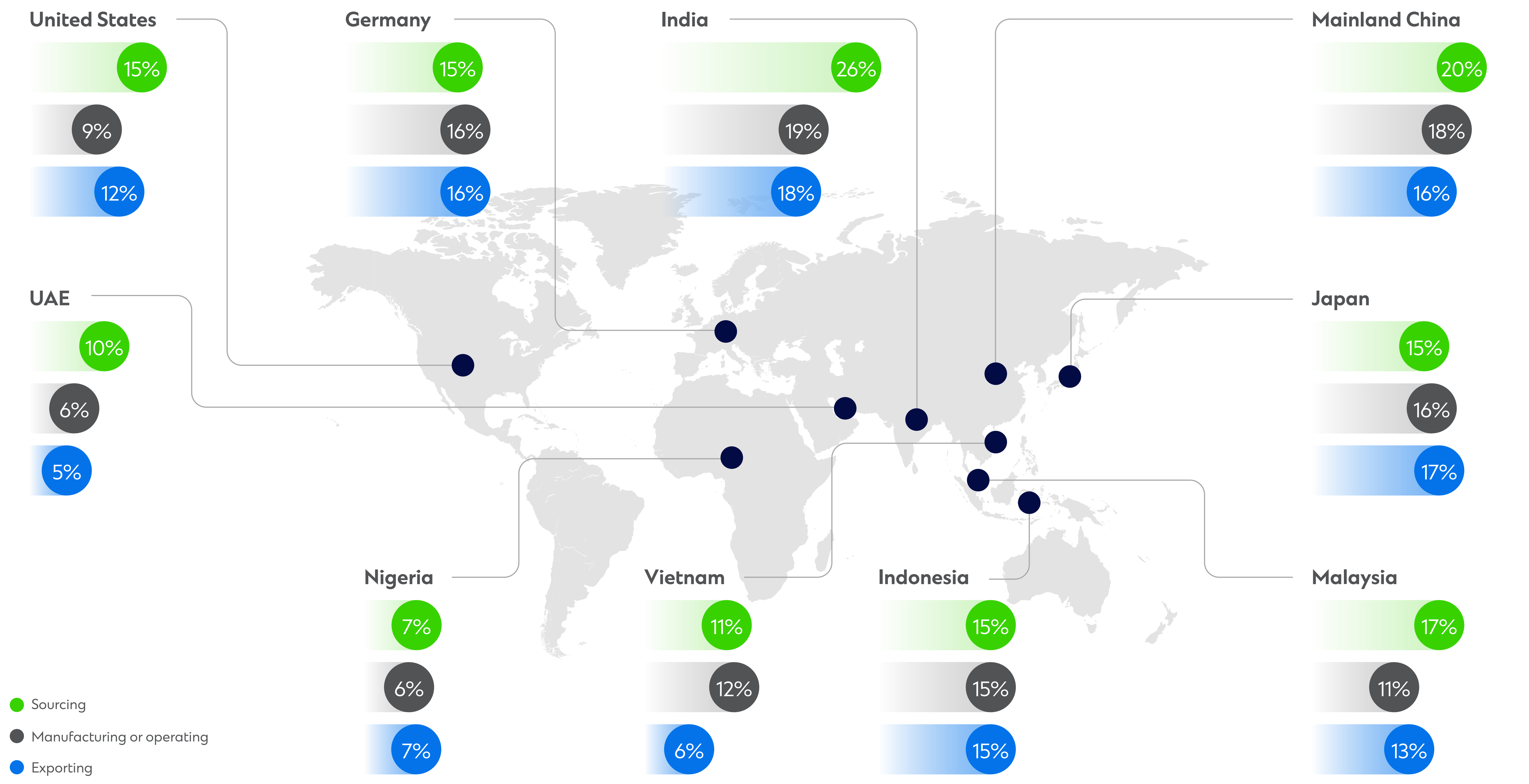
Japan features prominently as an operations and export destination. Its appeal is underlined by an extensive network of free trade agreements and government incentives attracting production facilities in key industries, including AI-related technologies and semiconductor production.

Markets in Europe are resilient: **Germany**'s appeal stems from its robust industrial backbone, pro-investment tax policies – termed the "growth booster" by the Ministry of Finance – and access to global markets through the EU's trade agreements.

Vietnam is strengthening its position as a key sourcing and manufacturing market, rising in the rankings from last year. Backed by competitive labour costs, robust FDI, and targeted policy reforms, it is emerging as a vital link in global supply chains.

Nigeria generates interest as a sourcing market largely due to its abundant energy reserves. Its large and growing population also make it attractive as an export destination. The country is attempting to improve its business climate through recent tax reforms that ease the burden on SMEs and new trade infrastructure such as the National Single Window Platform that could further boost Nigeria's appeal globally.

Stand-out markets by their net intention scores



Key takeaways

India leads every ranking
It tops net intention for sourcing, manufacturing and exports.

Last year's top performers remain resilient
Strength persists reflecting robust fundamentals and supply chain relevance.

New contenders emerge
Supportive policies and sectoral strengths are driving market appeal

* Net intention scores are determined by subtracting corporates looking to decrease activity/exit, from those who are looking to add/increase/maintain activities with the target market. A total of 27 markets were examined in this analysis. The results reflect the views of the corporates in the survey sample and should not be treated as a measure of current or future trade flows.

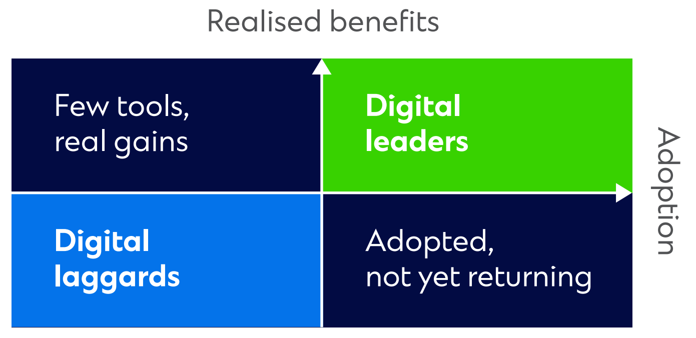
Competing in a real-time, uncertain and digital world

Digitalisation is helping organisations overcome complexity

Advances in technology are giving businesses new tools to manage the complexity in the trade environment. Corporates in the survey cite examples of digital tools predicting shipping disruptions, supporting proactive logistics planning and providing quicker response to disruptions to ensure business continuity.

Increasing the use of digital tools and systems is the top action being prioritised by corporates in response to trade uncertainty. More than 80 per cent agree that digital tools enable their organisation to respond more quickly to supply-chain disruption, while less than 1 per cent disagree. Meanwhile, 82 per cent say they improve decision-making through stronger visibility and forecasting across supply-chain and financial flows.

Real-time trade visibility matters because it allows businesses to detect disruption earlier, connect operational and financial decisions, and act before risks cascade across suppliers, customers and cash flow. Real-time visibility of cash positions is now maturely implemented in 71 per cent of corporates, and 59 per cent plan to invest further in this capability.



Digital leaders
Digital leaders are defined as corporates scoring above the sample median on both implementation maturity and realised benefits across the 10 digital capabilities examined in the survey.

Digital trade continues to grow

The role of digitalisation extends beyond how corporates manage their operations: an increasing share of international trade itself can now be delivered digitally. Digitally delivered services exports grew by 136 per cent between 2016 and 2025, compared to 70 per cent growth in total goods and services exports. In 2025, digitally delivered services accounted for 14.7 per cent of total exports, up from 10.6 per cent in 2016.

The sharp rise in 2020 (see chart) reflected the pandemic-driven shift towards remote working and online service delivery. More recently, growth has been sustained by computer services, supported by demand for AI, digital transformation, cloud-based delivery and cybersecurity solutions.

The rapid expansion of digitally delivered trade is reinforcing the strategic importance of digital capabilities. Corporates increasingly need to manage both the digitalisation of their operations and the growing role of digital activity in international trade.

The future belongs to digital leaders

This year's survey identifies digital leaders: businesses that not only adopt technologies, but convert investments into tangible results. These corporates score above the sample median for implementation maturity and realised benefits across 10 digital capabilities, from foundational tools such as digital trade documentation to emerging innovations like digital trade assets.

Corporates with stronger digital capabilities are more confident in navigating future uncertainties. A higher share of digital leaders report that digitalisation enables them to respond more quickly to supply chain disruptions, and better manage cash, liquidity and FX risks. Fewer digital leaders anticipate large trade cost increases as supply chains are reconfigured. These show that digitalisation is a critical advantage to building resilience for tomorrow.

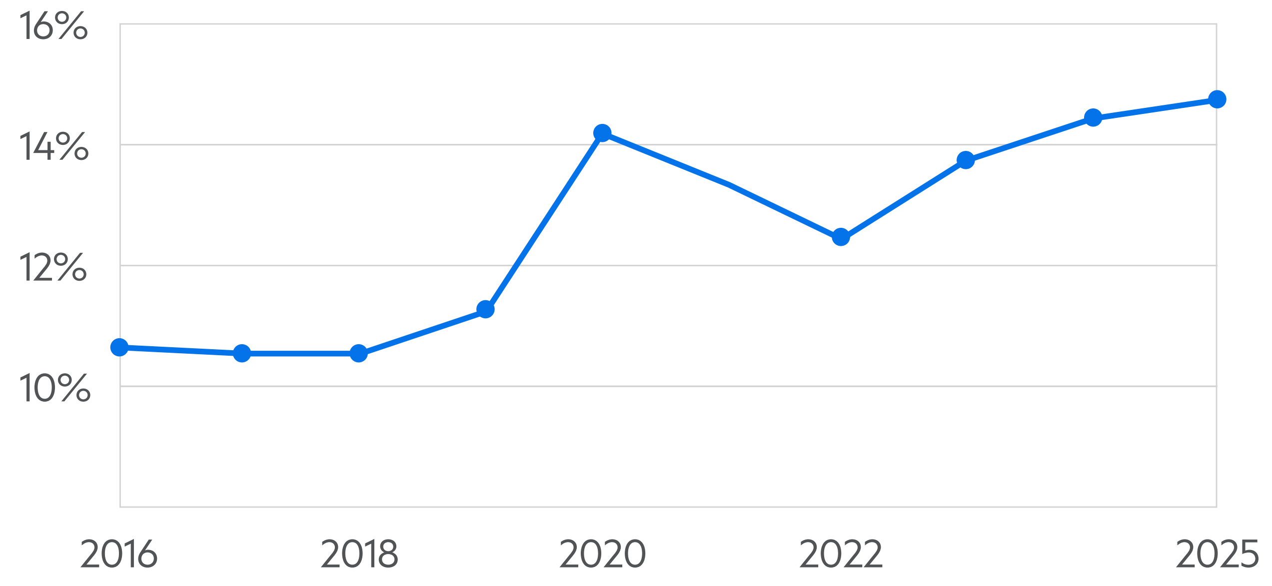
Digitalisation is boosting operational agility and strengthening decision-making

83%
of corporates agree that digital tools **enable their organisation to respond more quickly** to disruptions in the supply chain.

82%
of corporates agree that digital tools **enhance decision-making** through better visibility and forecasting.

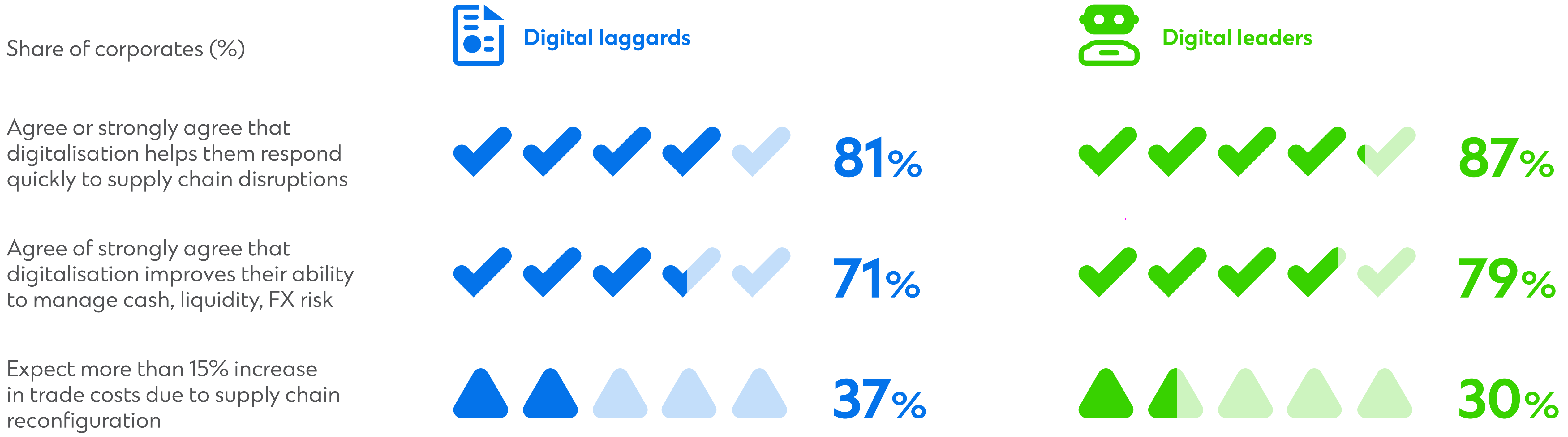
Digital trade is growing in importance

Exports of digitally deliverably services as a percentage of total exports



Source: WTO

Stronger digital capabilities translate into greater confidence in an uncertain future

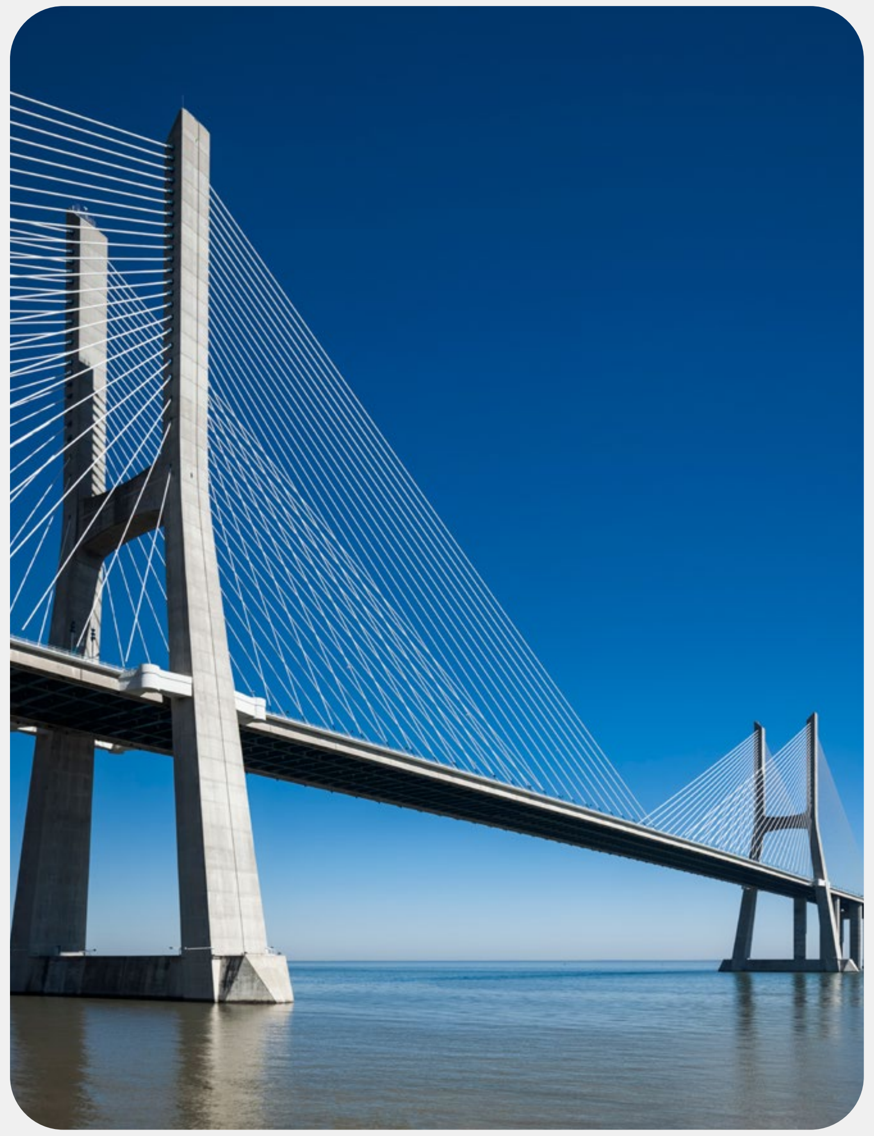


Scenario planning is becoming more common, but not yet fully embedded in decision-making

Scenario planning is becoming embedded

Among corporates that regard scenario tools as relevant, 82 per cent have begun using them to some degree, and 41 per cent review scenarios quarterly.

Yet depth remains limited. Only 16 per cent report mature implementation, whilst just 22 per cent plan further investment over the next three to five years.



Action requires knowing how much – and when

Scenario outputs are still used more for risk awareness (54 per cent) than to inform business decisions (41 per cent) or treasury actions (38 per cent).

The opportunity is therefore to move beyond identifying risks to quantifying their implications. Scenarios are most useful when they show the potential impact on the business and connect that analysis to clear thresholds, decisions, and owners.

Capacity, rather than intent, appears to be the binding constraint. Turning a scenario into a decision requires modelling skills, data that is consistent across suppliers and entities, and the analyst time to keep scenarios current as conditions change – resources that sit unevenly across treasury and planning teams. Where any of these is missing, scenario work tends to stop at framing the risk rather than sizing it.

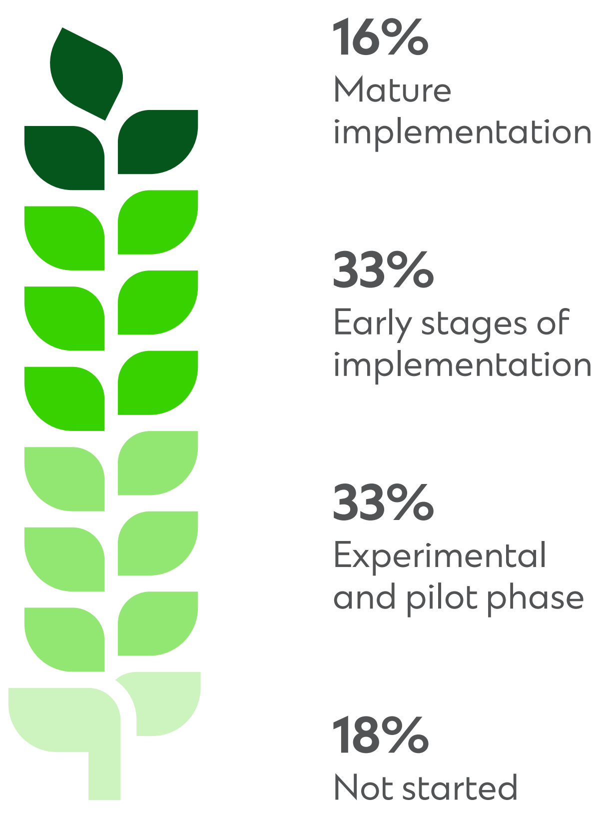
Digital visibility helps turn scenarios into action

Some 82 per cent of corporates say digital tools enhance decision-making through stronger visibility and forecasting across supply-chain and financial activities.

Better-connected data can help corporate leaders understand not only where disruption may occur, but how it could affect working capital, pricing, financing needs, supplier performance and customer delivery. This makes scenario analysis more useful as an input into operational and financial decisions.

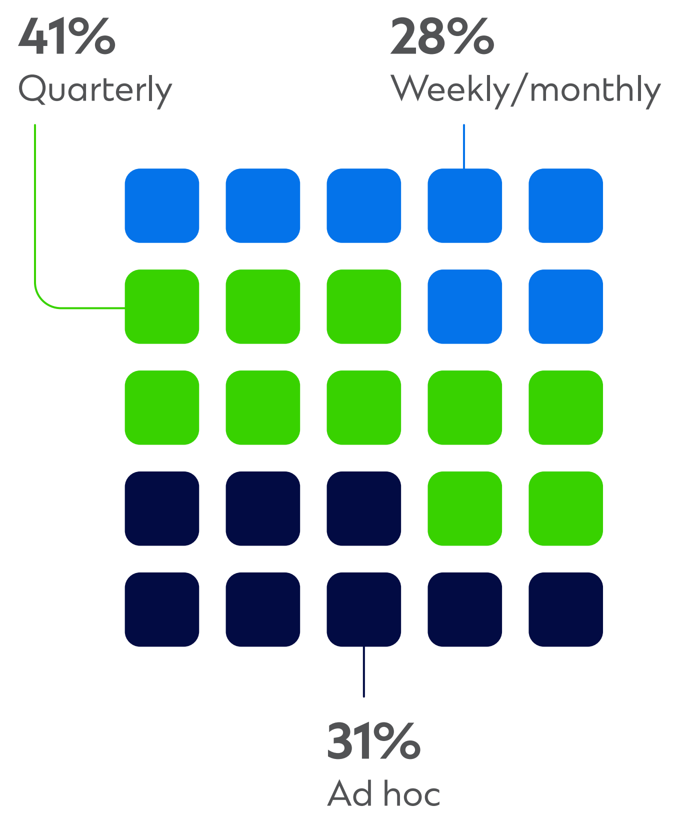
Scenario analysis has been widely adopted, but few have reached mature implementation

Share of corporates by implementation maturity (%)



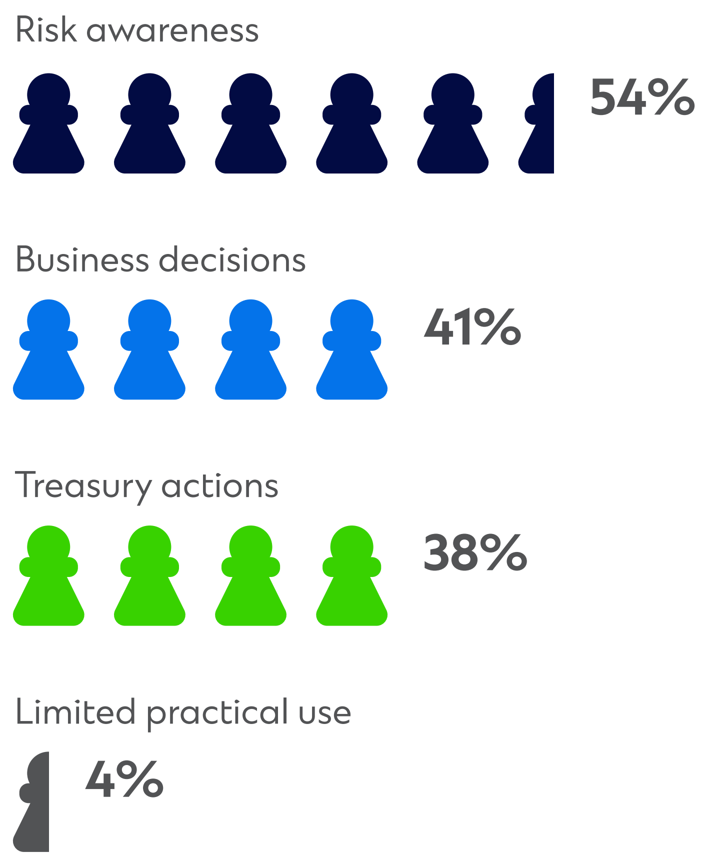
41 per cent review scenarios quarterly; 31 per cent remain ad hoc

Share of corporates by usage frequency of scenario-based forecasting tools (%)



Scenario planning is used more for risk awareness than decision making

Share of corporates by how they use scenario outputs in decision-making (%)



Key takeaways

Scenario planning is not yet fully embedded

While 54 per cent use scenario outputs to build risk awareness, only 41 per cent use them for business decisions and 38 per cent for treasury actions.

Mature implementation remains limited

Among corporates that see scenario tools as relevant, 82 per cent use them to some degree, but only 16 per cent report mature implementation.

Digital visibility makes scenarios more useful

Integrated supply-chain and financial data can help corporate leaders quantify how disruption affects costs, liquidity, suppliers and customers, turning scenario outputs into more effective business decisions.

Corporates should capture interacting risks simultaneously – not tariffs alone

Trade risks are interconnected

Tariffs remain the most common risk corporates are modelling, but they are only one part of a more complex picture. Among those using scenario planning tools, 58 per cent model tariffs, while 44 per cent model geo-economic actions such as sanctions and export controls.

The greatest disruption may come when these risks interact. Tariffs, FX volatility, energy disruption, non-tariff measures and geopolitical tensions can reinforce one another, creating cascading effects across costs, supply chains, market access, liquidity and customer demand. Modelling tariffs in isolation can therefore understate the broader risks from geopolitical fragmentation.

Digitalisation creates opportunities – and new exposures

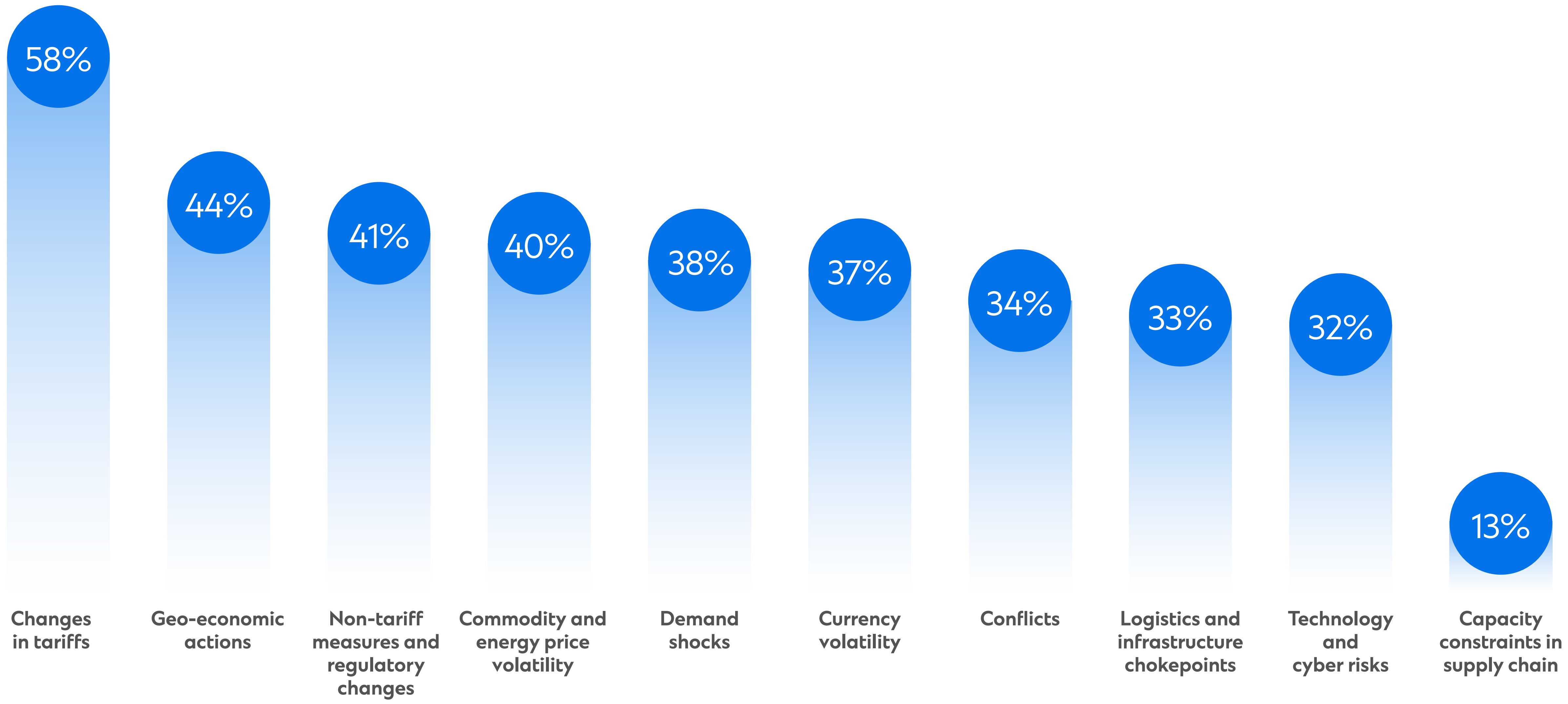
Digitalisation can also reshape the geography and channels of trade, by reducing costs across documentation and data processing, regulatory compliance, logistics, payments and the identification of overseas counterparties.

But greater digital interconnectedness can also create new exposures, including to cyber threats, currency volatility and demand shocks. Digitalisation should therefore be considered alongside other sources of trade risk, rather than in isolation.

This points to a more advanced use of scenario planning. Corporates need to move beyond modelling individual risks in isolation and use digital tools to quantify how risks interact and affect their businesses. The scenarios that follow apply this logic at the macro level, showing how deeper geopolitical fragmentation and faster digitalisation could reshape trade, costs and growth through 2031 – and where the associated risks and opportunities may emerge.

Corporates are testing a much broader range of risks beyond tariffs

Share of corporates that are using scenario tools (%)



> **The entire game has completely changed as far as my role is concerned – from managing cash to managing uncertainty.**
>
> What was once a simple buy-and-sell trade can become a completely different situation because of these disruptions. Treasury is involved from the start to the end of the transaction flow. My job is to pay for the trade, support it throughout the journey, and ultimately repatriate the money from the export market.
>
> Today, we are thinking about scenarios that are far less usual, and the frequency of doing this exercise has increased significantly. We do scenario planning every week, sometimes every day.
>
> These disruptions occur one after the other, and sometimes even simultaneously. You don't have a set rule book. The entire rule of the game changes every single time, and you must rebuild from scratch. This is what I feel is the biggest challenge.
>
> The biggest outcome of the scenario planning exercise was that the risk was not necessarily higher cost. If you are unable to serve a customer at any point in time, you can lose a very significant portion of your customer base. And the beauty is that if you have planned for this scenario, it can give you really wonderful results. Risk management strategy actually became a growth strategy for us.
>
> **Gaurav Jain**
> Global Head of Banking and Treasury
> ABG Trading

Key takeaways

Trade risks are interconnected
Tariffs, currency movements and geo-economic actions can reinforce one another, creating cascading effects across costs, liquidity and demand.

Digital tools help corporates model complexity
Some 82 per cent of corporates say digital tools improve decision-making through stronger visibility and forecasting across supply-chain and financial activities.

Scenario modelling shows how these risks could play out in the future

Drawing on the experience and expectations of 2,100 senior executives, this year's Future of Trade report also quantifies what these corporate perspectives could mean for the wider global economy. We complement the survey findings with two illustrative scenarios leveraging Oxford Economics' Global Economic Model to explore what could be at stake, if some of the forces identified by the survey became more pronounced through to 2031.

Geopolitical Fragmentation explores the consequences of a severe fragmentation of global trade.

This scenario quantifies the simultaneous impacts of three geopolitical risks:

1. Trade frictions intensify (e.g., higher tariffs and geo-economic restrictions)
2. Conflict disrupts energy markets
3. Geo-economic pressures slow cross-border flows of technologies, knowledge, capital, and talent, all of which limit productivity growth

Digital Acceleration explores the potential upside if firms realise the expected savings from trade digitalisation, alongside stronger technology investment and faster AI adoption.

This scenario quantifies the impacts of three trade digitalisation outcomes:

1. Trade frictions fall across multiple channels
2. The reductions of trade costs vary by market and channel
3. AI-related impact on trade reinforces the gains

Each scenario presents an illustrative alternative future, not a forecast. They provide a way to explore how the challenges and opportunities identified by corporates could play out across the global economy. This can help businesses stress-test plans, assess risks, and prepare for different outcomes. However, they are not intended to represent best- or worst-case outcomes, nor are they mutually exclusive: elements of both could unfold simultaneously and at different speeds.

Scenario outputs are compared to a baseline which represents Oxford Economics' August 2026 forecast. This baseline assumes current trade frictions and policy settings continue.

A changing reality for supply chain reconfiguration

As structural uncertainty becomes a persistent feature of international trade, corporate leaders are rethinking how they adapt. Rather than relying solely on geographic reconfiguration, they are becoming more selective about where they operate, placing greater emphasis on making complex supply chains work effectively.

> **“Over the past decade, we have seen supply chains evolve from largely efficiency-driven networks into complex ecosystems designed to balance growth and resilience. What began as a targeted response to disruption has evolved into a more fundamental reassessment of how businesses operate in an increasingly uncertain world.**
>
> And with the geography of risk expanding, resilience can no longer be achieved through a single strategy or destination. Businesses are increasingly adopting a portfolio approach to supply chain design, focusing on refinement and building digital capabilities to enhance visibility, agility and responsiveness.
>
> At the same time, trade corridors are evolving across high-growth markets, creating added complexity to an increasingly fragmented landscape. As businesses navigate a growing web of markets, currencies, regulations and real-time treasury demands, digitalisation is emerging as an essential path to competitive advantage.

Sofia Hammoucha
Global Head
Trade and Working Capital

Geographic reconfiguration is becoming more difficult

Corporates continue to diversify production, sourcing and investment across markets, but relocating activity is becoming more expensive and operationally demanding.

Building new supply chains depends on more than finding alternative production sites. Corporates also need the capabilities, relationships and financial structures to make new networks work.

Strategy is shifting from geographic relocation to refinement

Rather than redrawing their footprints, corporates are making more targeted adjustments within existing networks – deepening supplier relationships, reallocating activity and investment, and strengthening the in-house production capabilities needed to manage the current trading environment.

Adapting to fragmentation can unlock growth

Deeper geopolitical fragmentation could fundamentally reshape global trade, creating relative winners and losers across markets and trade corridors. Corporates able to adjust sourcing, production and market exposure as conditions change may be better placed to capture opportunities as trade patterns shift.

Growth is concentrating along selected trade corridors

Trade patterns are being reshaped by policy support and AI-driven demand

India, **the United States (US)** and **Mainland China** remain the dominant sourcing hubs, appearing most frequently among the top 10 trade corridors ranked by net sourcing intention*. The strongest sourcing momentum is concentrated along the **Australia-India** corridor. Bilateral trade agreements have likely helped strengthen these commercial ties. By early 2026, the India-Australia Economic Cooperation and Trade Agreement (ECTA) had reached full implementation, providing 100 per cent duty-free access for Indian exports to Australia.

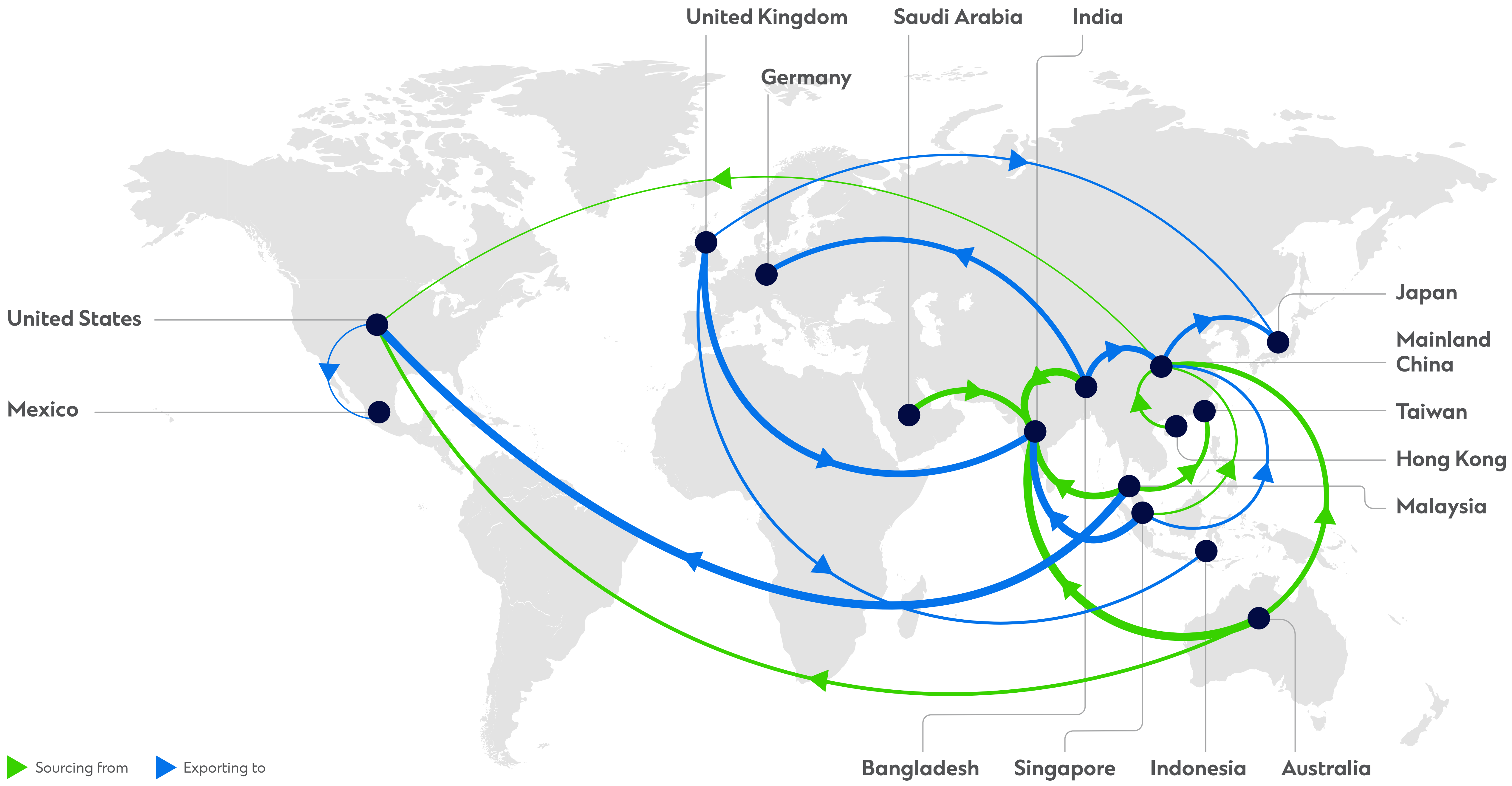
Rankings also show how AI demand is boosting certain corridors, and markets sitting at the intersection of these trade networks stand to benefit. Malaysia and Taiwan are case in point: the **Malaysia-Taiwan** corridor features among the top few sourcing corridors. Malaysia primarily imports high-value technology components from Taiwan such as memory chips, which feeds directly into Malaysia's robust semiconductor assembly, packaging, and testing industries.

The **Malaysia-United States** corridor registers the strongest net export intentions. The United States is one of Malaysia's largest export markets, with trade concentrated in key products such as electronic integrated circuits. Rising AI-driven demand for these inputs is expected to further boost export growth, while high tariff exemption rates on these exports to the US could provide additional support.

There is rising planned export activity from the **United Kingdom (UK)** into Asian markets such as **India**, **Indonesia** and **Japan**. This suggests a broader push by UK businesses to diversify beyond regional partners and deepen engagement with Asia's faster-growing economies, where long-term growth opportunities remain attractive.

Bangladesh, a major ready-made garment exporter, is showing stronger net export intentions towards Mainland China and Germany, signalling growing demand from both Asian and European markets and reinforcing its position in global supply chains.

The strongest planned cross-border trade corridors in the next three to five years



* Net intention scores refers to the share of corporates looking to add/increase/maintain activities with the target market, minus, the share of corporates looking to exit/reduce activities. A total of 27 markets were examined in this analysis. The results reflect the views of the corporates in the survey sample and should not be treated as a measure of current or future trade flows.

Key takeaways

Three hubs dominate sourcing
India, the US and Mainland China dominate the top 10.

Government initiatives are strengthening ties
Policy support and bilateral agreements are propelling trade in key corridors.

No region is offering a safe hedge
Geo-economic concern is rising across regions, by 7.9 percentage points in ASEAN and 4.7 in the Middle East and Africa.

standard chartered

Geographic reconfiguration is offering less protection

Geo-economic measures are reaching further across markets

Risk is no longer defined principally by bilateral, tit-for-tat tariff escalation between trading partners. Governments are increasingly deploying unilateral measures that can affect corporates across markets and supply chains.

Analysis by Oxford Economics shows that tariff increases accounted for 4.6 per cent of restrictive trade measures in the first six months of this year, almost half their 8.9 per cent share in 2025. Geo-economic measures include maritime blockades, sanctions, export controls, investment screening, subsidies, procurement preferences and financial support. They reshape competitive and trade conditions even for markets outside the immediate policy dispute.

Geo-economic measures also increasingly target trade in services. Measures restricting services trade in the first half of 2026 were around 57 per cent higher than a year earlier, compared with a much flatter trajectory for goods.

Geographic reconfiguration does not remove exposure

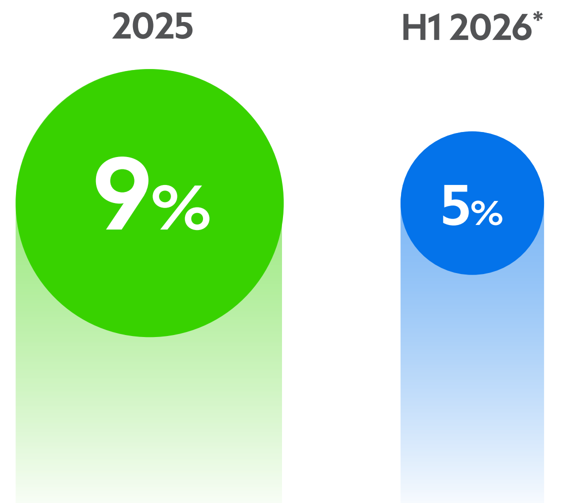
Relocating activity does not necessarily remove geopolitical pressure. For example, corporates have increasingly shifted production, sourcing and investment to ASEAN to reduce their exposure to geopolitical tensions elsewhere. But those operating in the region now increasingly expect geo-economic actions to affect their markets, supply chains and trading relationships. The share of corporates in the region citing geo-economic actions among their top three trade concerns rises from 49 per cent over the past year to 57 per cent over the next three to five years.

The same shift is visible in the Middle East and Africa, where the share of businesses citing geo-economic actions among their top three concerns rises from 47 per cent over the past year to 51 per cent over the next three to five years, placing it alongside trade policy (53 per cent) and conflicts (52 per cent) in a concentrated set of risks. While in the Americas trade policy moves down the list of concerns as conflicts become a bigger issue for trade.

Resilience can therefore no longer rest on where corporates operate. Advantage will come from how quickly they detect and respond to change: real-time visibility of supply-chain and financial flows, scenario planning, and treasury structures able to redeploy liquidity.

Tariffs' share of restrictive measures has roughly halved

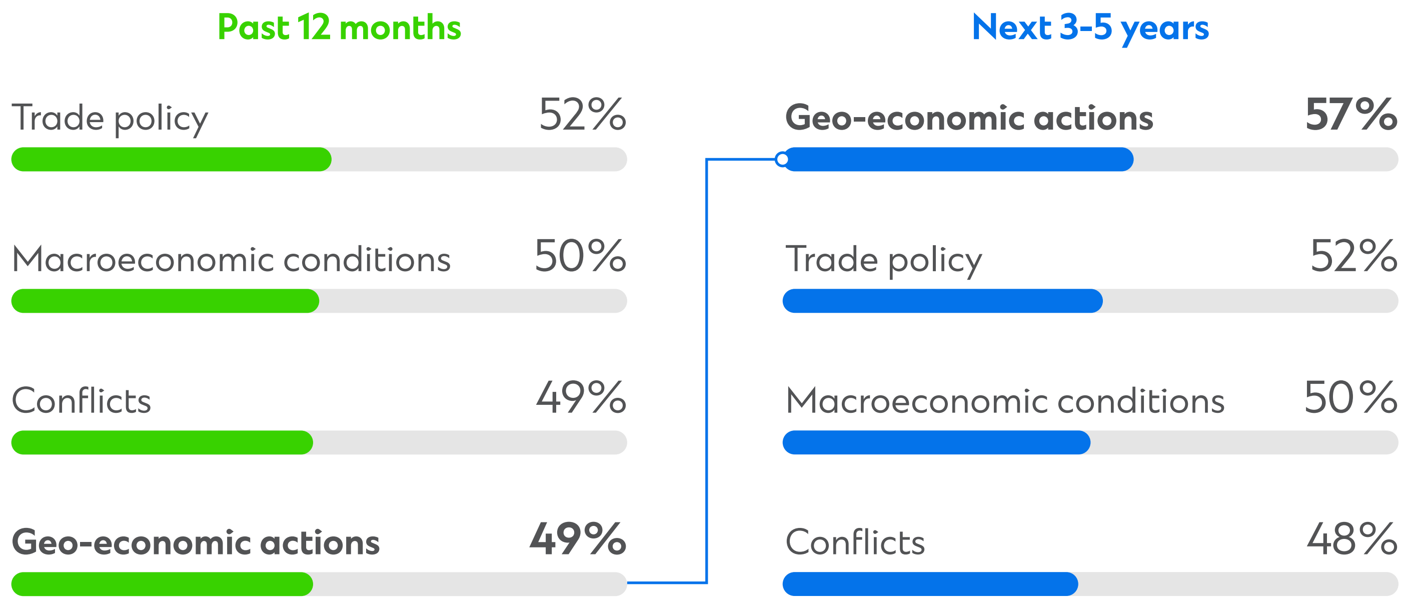
Tariff measures as a share of all restrictive measures (%)



* 2026 data is recorded for the partial year, as of July 21, hence reflects measures in H1 2026 only.

Geo-economic actions are becoming a greater concern for ASEAN corporates

Share of ASEAN corporates ranking issue among their top three factors affecting global trade (%)



"Our supply chain strategies have evolved from a primary focus on efficiency and cost optimisation towards a more balanced approach incorporating resilience, flexibility, and sustainability. The goal is to reduce concentration risk, improve business continuity, and strengthen our ability to respond to all these geopolitical, regulatory or climate related market disruptions.

Apart from diversification of our supply chain network, we have invested significantly in digitalisation – such as data analytics and AI-enabled visibility tools – which could support us in faster decision making, stronger operational coordination, and improved risk management across our global operations.

We believe the greatest opportunity lies in creating a more integrated approach to decision-making between the operational and financial teams, through shared data, real-time visibility, and common planning frameworks. If we could connect operational and financial decision making, the whole organisation could evaluate trade-offs more quickly and execute supply chain changes with more confidence.

This could further reduce response times during disruptions and support faster supply chain reconfiguration while maintaining appropriate financial discipline.

Justin Wong
Executive Director and
Chief M&A Officer
Epic Group

Key takeaways

Tariffs are receding
Tariffs fell from 8.9 to 4.6 per cent of restrictive trade measures since 2025.

No region is offering a safe hedge
Geo-economic concern is rising across regions, by 7.9 percentage points in ASEAN and 4.7 in the Middle East and Africa.

Costs of geographical reconfiguration remain elevated

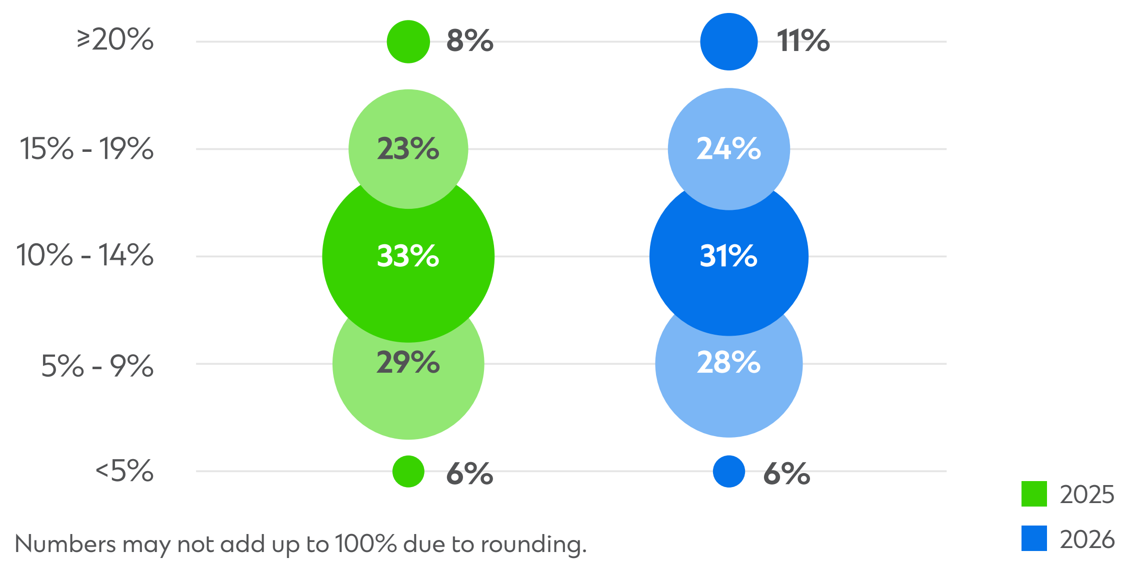
Cost expectations are becoming entrenched

Virtually no firm expects supply chain reconfiguration costs to stay flat or fall over the next three to five years, while 65 per cent expect costs to rise by 10 per cent or more.

Similar to last year's Future of Trade, the most commonly expected increase remains between 10–14 per cent. But more corporates now expect trade costs to rise by at least 15 per cent. Rather than challenging last year's findings, this year's survey suggests that expectations of higher costs are becoming more firmly entrenched.

Supply chain reconfiguration will raise trading costs for nearly every firm

Share of corporates expecting an increase in trade costs due to supply chain reconfiguration (%)



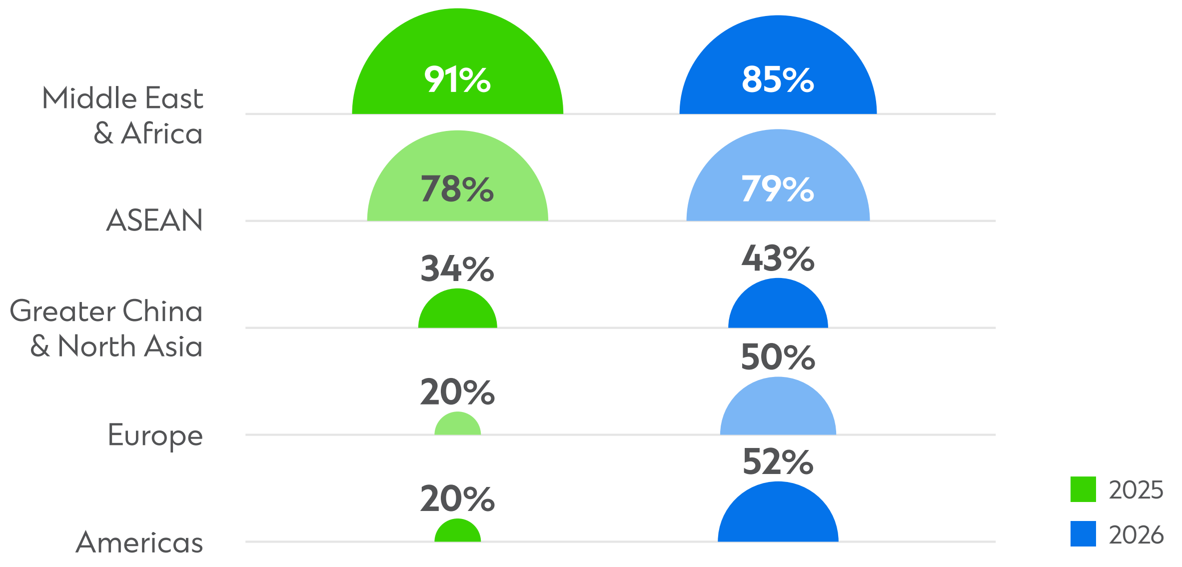
Numbers may not add up to 100% due to rounding.

No region is immune to rising trade costs

Expectations of trade cost increases have risen sharply across Europe, the Americas, and Greater China and North Asia since the 2025 survey, while remaining elevated in the Middle East and Africa, and ASEAN. As disruptions to raw materials and logistics ripple through interconnected global supply chains, cost inflation is no longer a regional issue.

Rising-cost expectations are spreading across regions

Share of corporates expecting at least a 10% increase in trade costs due to supply chain reconfiguration (%)



Note: In the 2025 survey, Europe and the Americas were grouped together as one broader region.

The challenge extends beyond costs

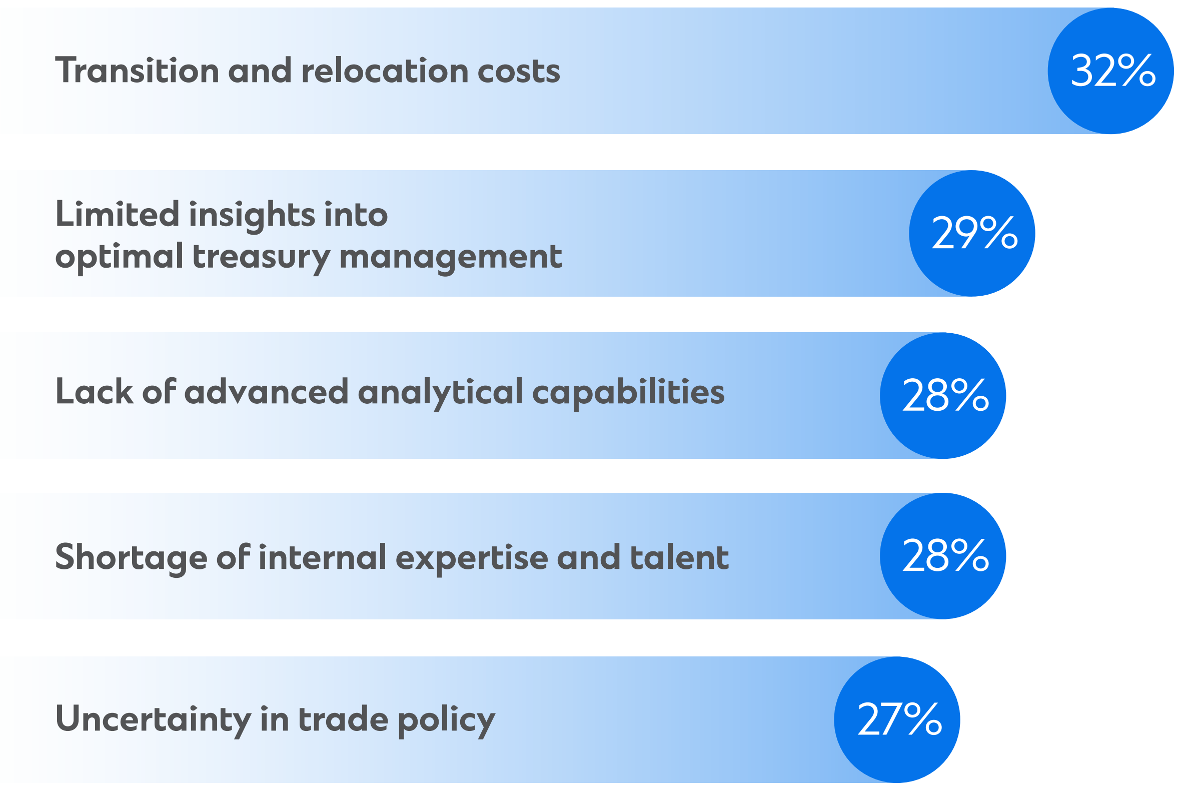
Transition and relocation costs are the most commonly cited barriers to geographical reconfiguration, selected by 32 per cent of respondents. But corporates face constraints well beyond financial cost. Almost as many cite limited insight into optimal treasury management (29 per cent), inadequate analytical capabilities (28 per cent), shortages of internal expertise and talent (28 per cent) and trade-policy uncertainty (27 per cent).

The opportunity here is for corporates to make a new network work effectively. Alternative locations must replicate the capabilities, relationships and operating conditions embedded in established supply chains, while maintaining visibility, coordination and financial control across more complex trading networks.

As a result, reconfiguration becomes a broader organisational challenge rather than simply a geographic one. Building resilience increasingly depends not only on where corporates operate, but on the capabilities needed to manage new networks effectively.

The constraint is capability as well as cost

Share of corporates ranking factor among their top three contraints to supply chain reconfiguration (%)



Key takeaways

Reconfiguration cost rises are near-universal
Almost no firm expects reconfiguration costs to stay flat or fall over the next three to five years.

Capability constraints rival cost
Cost is the leading constraint at 32 per cent, but treasury insight, analytics and talent all follow within five percentage points.

Currency risk moves up the treasury agenda

Treasury actions are crucial at every stage of trade

Over the next three to five years, treasury-related actions are two of the top three priority actions corporate leaders are planning to take to respond to structural uncertainty – 37 per cent plan to better integrate treasury and supply chain functions, while another 37 per cent expect to adjust treasury strategies.

Treasury is increasingly involved across the full trade cycle, from managing sourcing disruptions and funding needs to safeguarding liquidity and cross-border cash repatriation.

Among those corporates adjusting treasury strategies, 46 per cent to 57 per cent are focused on actions across the trade cycle, ranging from sourcing, structured financing, and working capital, to currency risk, and cash allocation.

A broader currency mix increases demands on the treasury

Foreign-exchange risk illustrates how this complexity is playing out. Some 33 per cent expect their FX exposure to increase over the next three to five years, while 57 per cent rank currency-risk management among their leading treasury priorities.

Currency use also varies sharply by region. The US dollar accounts for around 60 per cent of trade invoices in the Middle East and Africa and 59 per cent in the Americas, while the renminbi accounts for 49 per cent in Greater China & North Asia and 19 per cent in ASEAN.

Renminbi keeps growing

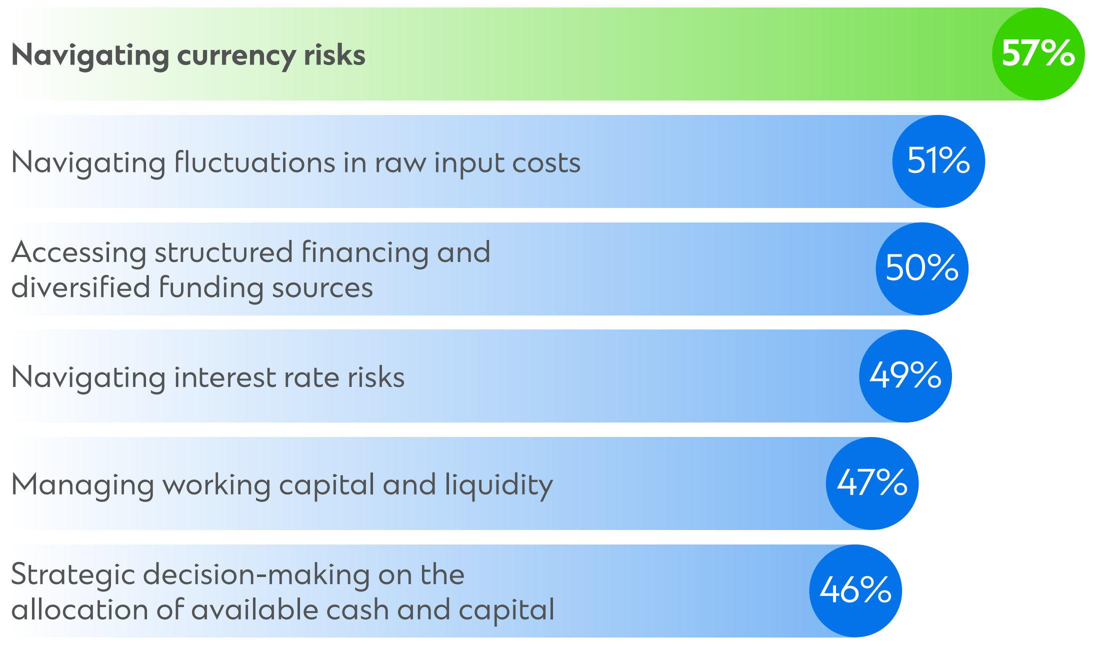
Use of renminbi is expected to grow substantially in the coming years, with 41 per cent anticipating growth in its use in trade invoices compared to just 11 per cent expecting a decline.

Australia and the Pacific lead in momentum, with 52 per cent expecting usage to rise, followed by South Asia and Greater China and North Asia. Deepening trade links with Mainland China, alongside the rapid expansion of China-South Asia trade corridors supports this shift.

This reflects the broader trend of renminbi internationalisation. A growing share of trade is increasingly being conducted outside traditional US dollar payment channels – the expansion of China's Cross-Border Interbank Payment System (CIPS) and the development of bilateral digital currency platforms. Standard Chartered's Renminbi in motion for corporates report found that corporates were seeing continued increases in use of the currency in revenue, costs and debt.

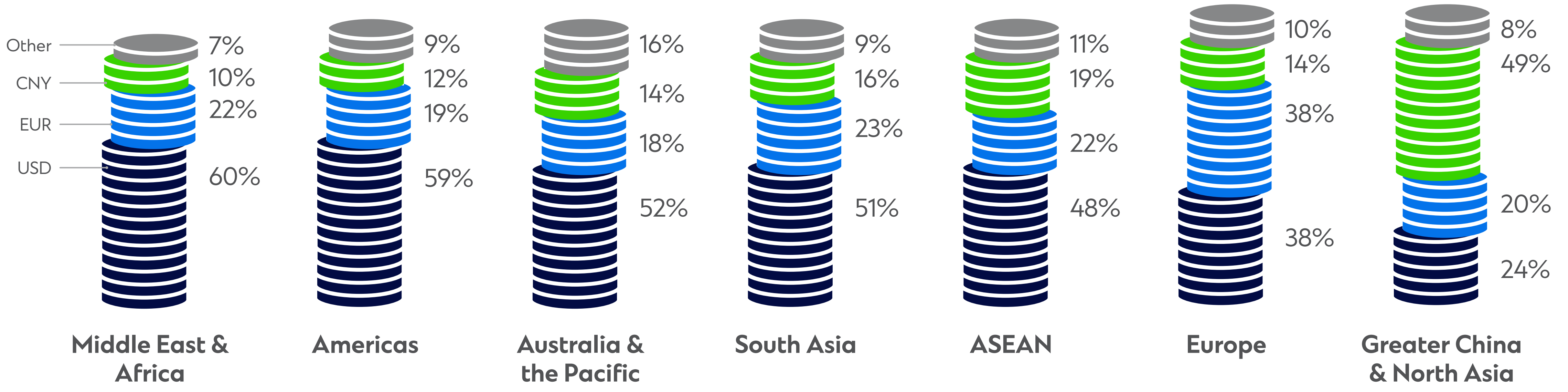
Treasury strategies cover the whole trade cycle

Among corporates who are adjusting treasury strategies, share that is prioritising the following actions over the next 3-5 years (%)



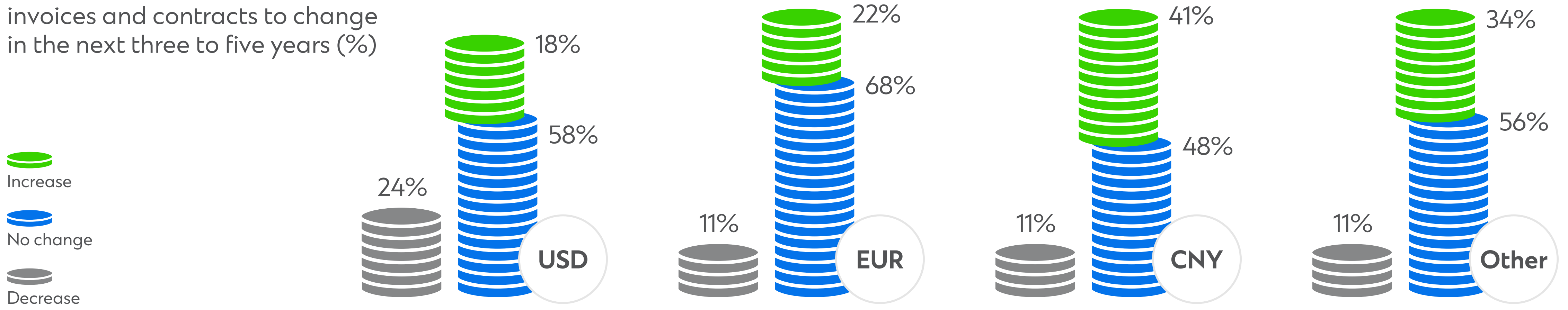
Distinct regional patterns emerge in currency use

Average share of the following currencies in overall trade invoices and contracts today (%)



Renminbi expected to become more prominent

Share of corporates expecting their use of currencies in trade invoices and contracts to change in the next three to five years (%)



Key takeaways

Treasury actions rank in the top three
Integration and treasury strategy are each cited by 37 per cent of corporates as key responses to trade uncertainty.

Currency risk is a leading priority
57 per cent rank it among their leading treasury priorities.

The currency mix is broadening
Corporates expect greater use of the renminbi alongside the continued dominance of the US dollar.

The focus is now on deepening capabilities for resilience

Geographic reconfiguration is losing momentum

Over the next three to five years, geographic reconfiguration strategies – diversifying beyond China, bringing production closer to home, regionalisation – are becoming less of a priority. Their net priority score falls by 7.2 percentage points compared to the past year. Larger drop-offs are observed in ASEAN (-12.8pts), where geo-economic pressures are rising, and the Americas (-11.3pts), where corporate leaders are reassessing the true costs of relocation.

Whether this is cyclical or structural, with corporates now largely in the locations they deem they need, cannot yet be judged from the survey or external evidence. What the findings do show is that alternative locations are being relied on less as a catch-all response to geopolitical risk.

Focus is shifting towards deepening supplier relationships and capabilities

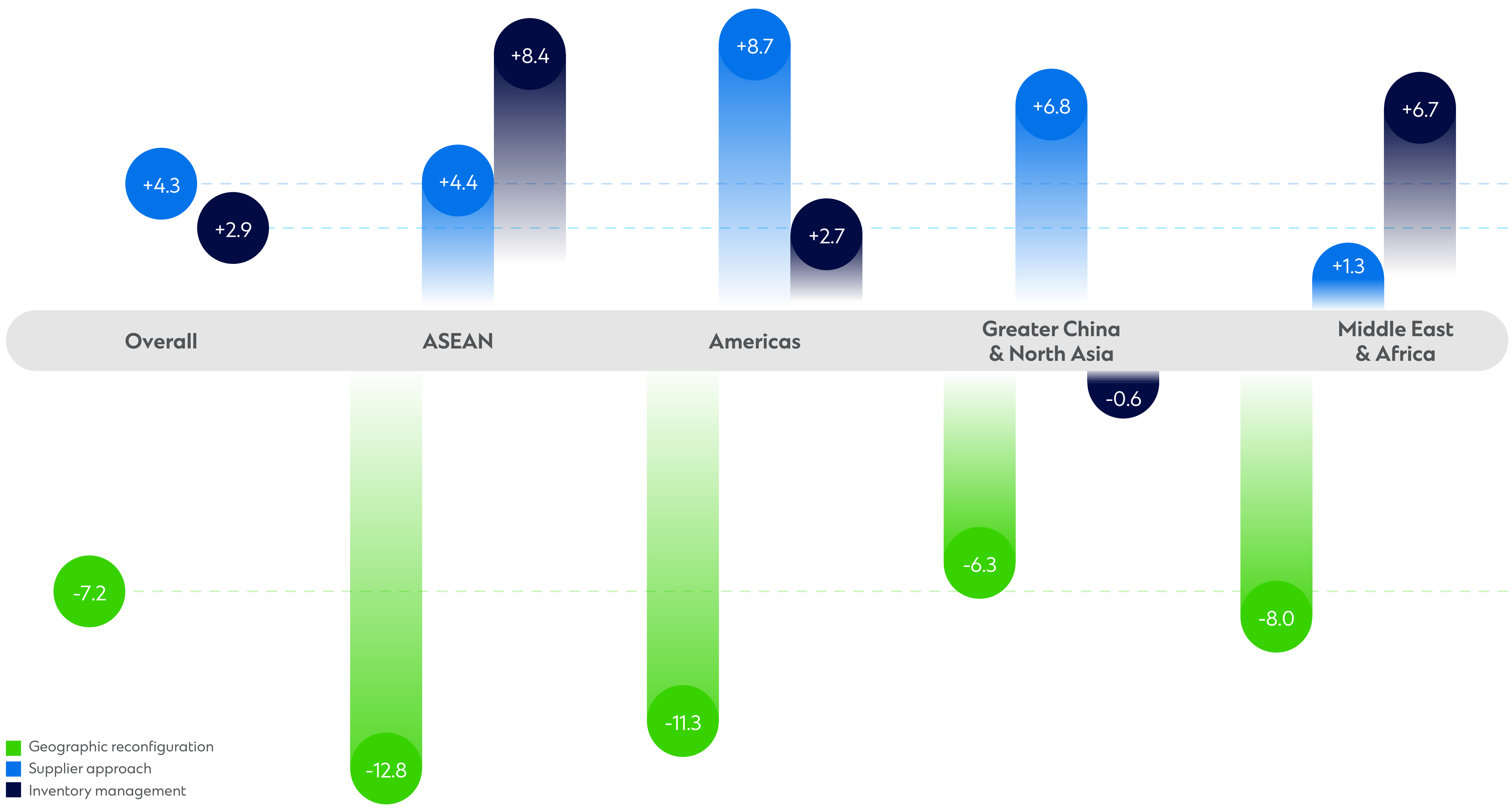
The priority is shifting towards how supply chains are run. Supplier-focused strategies are now seeing a notable increase in priority (+4.3pts), including multi-sourcing, deeper partnerships with existing suppliers, and building the internal capabilities and technical solutions needed to support more complex supply networks. The increase is particularly pronounced among businesses operating in the Americas (+8.7), and Greater China & North Asia (+6.8).

Inventory management priorities are rising too (+2.9 pts). The increase is sharpest in ASEAN (+8.4pts) and the Middle East & Africa (+6.7pts), where recent energy disruptions have pushed businesses to hold larger safety stocks against future shocks.

These shifts suggest that corporates are investing more in the capabilities needed to make existing networks perform, rather than relying solely on geographic reconfiguration to reduce geopolitical risk.

Supplier-focused strategies are overtaking geographic reconfiguration

Change in share of corporates ranking actions associated with the following as their top strategy, from the past 12 months to the next 3-5 years (percentage points)



Most corporates are adjusting activity within existing markets

The survey found 95 per cent of corporates expect to adjust their supply-chain activities over the next three to five years, yet across sourcing, manufacturing and exporting activities, almost 60 per cent anticipate neither entering new markets nor exiting existing ones.

Rather than redrawing their footprints, corporates are fine-tuning them – reallocating suppliers, investment and production as risks and commercial priorities evolve. Location strategy is becoming less about entering or leaving markets altogether and more about adjusting activity within an existing geographic footprint.

Risk management must therefore move beyond avoiding high-risk markets to quantifying exposures and defining proportionate responses.

Corporates are refining – not redrawing – their supply-chain footprints

Share of corporates reporting the following supply chain actions (%)

95% of corporates **plan to adjust** their supply chain activities

59% of corporates **neither entering new markets nor exiting** existing markets

Note: Results reflect the average share of surveyed corporates indicating the following across sourcing, manufacturing/operations, and export activities.

Key takeaways

Geographic strategies are losing priority
Their net priority score falls 7.2 percentage points over the next three to five years, compared to the past year.

Supplier strategies are taking their place
Corporates are deepening supplier relationships and in-house capability instead of relocating.

Fragmentation’s combined effects could sharply reduce global trade

Geopolitical Fragmentation

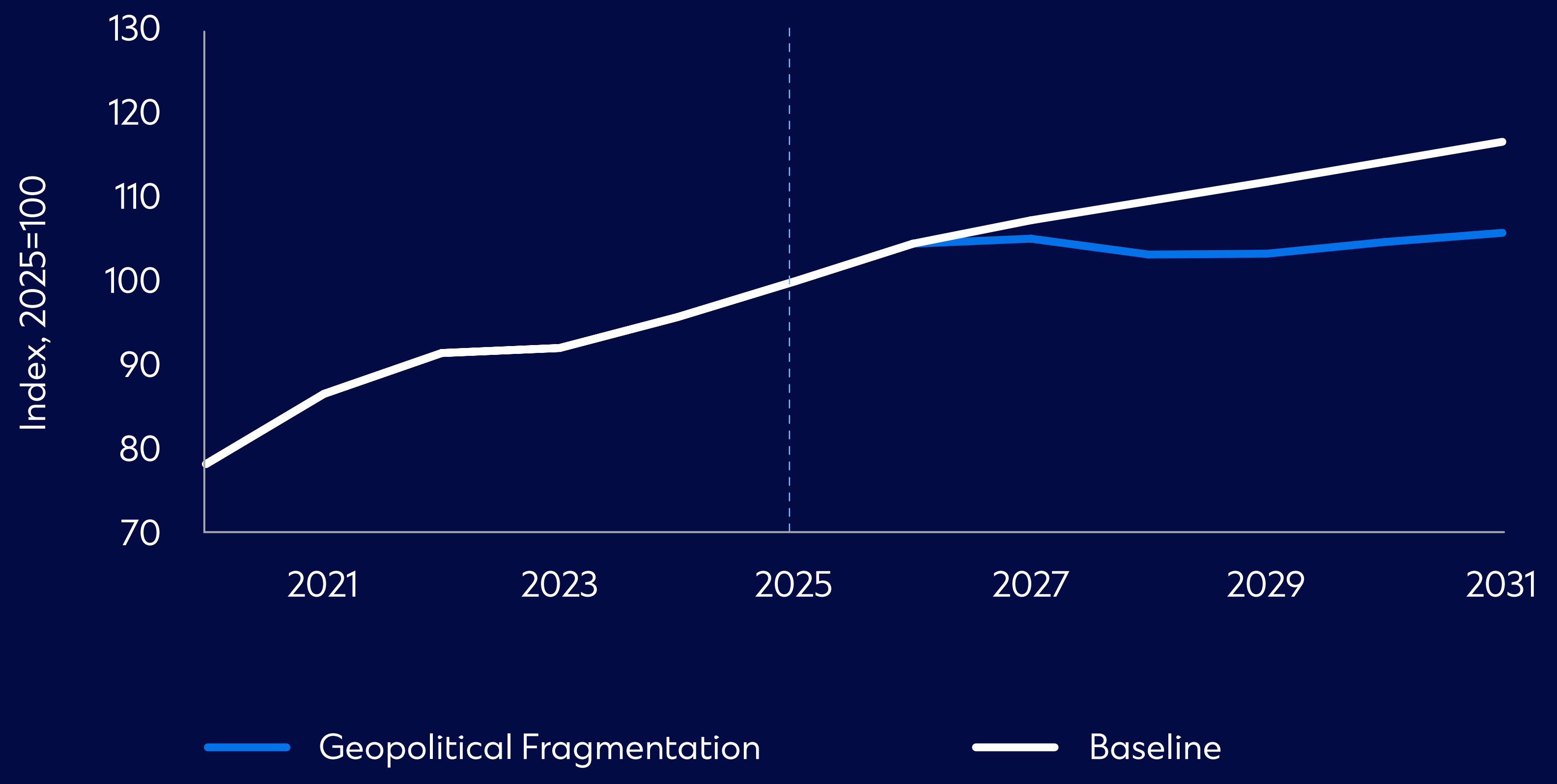
Global trade could fall around 9 per cent below baseline

The combined effects of geopolitical fragmentation could fundamentally reshape the global trade landscape. By 2031, the forces captured in the Geopolitical Fragmentation scenario could leave global trade around USD3.8 trillion below baseline.*

This would represent a persistent structural shift rather than a temporary disruption. Although trade would remain above its 2020 pandemic trough, some corporates would struggle to sustain operating models built on continued global expansion and scale.

A disruption of this scale would create opportunities to win customers, secure supplier capacity and consolidate market share. Corporates that establish viable scale across regional markets and reconfigure production, sourcing and distribution early could emerge in a stronger competitive position.

World trade falls below baseline under Geopolitical Fragmentation



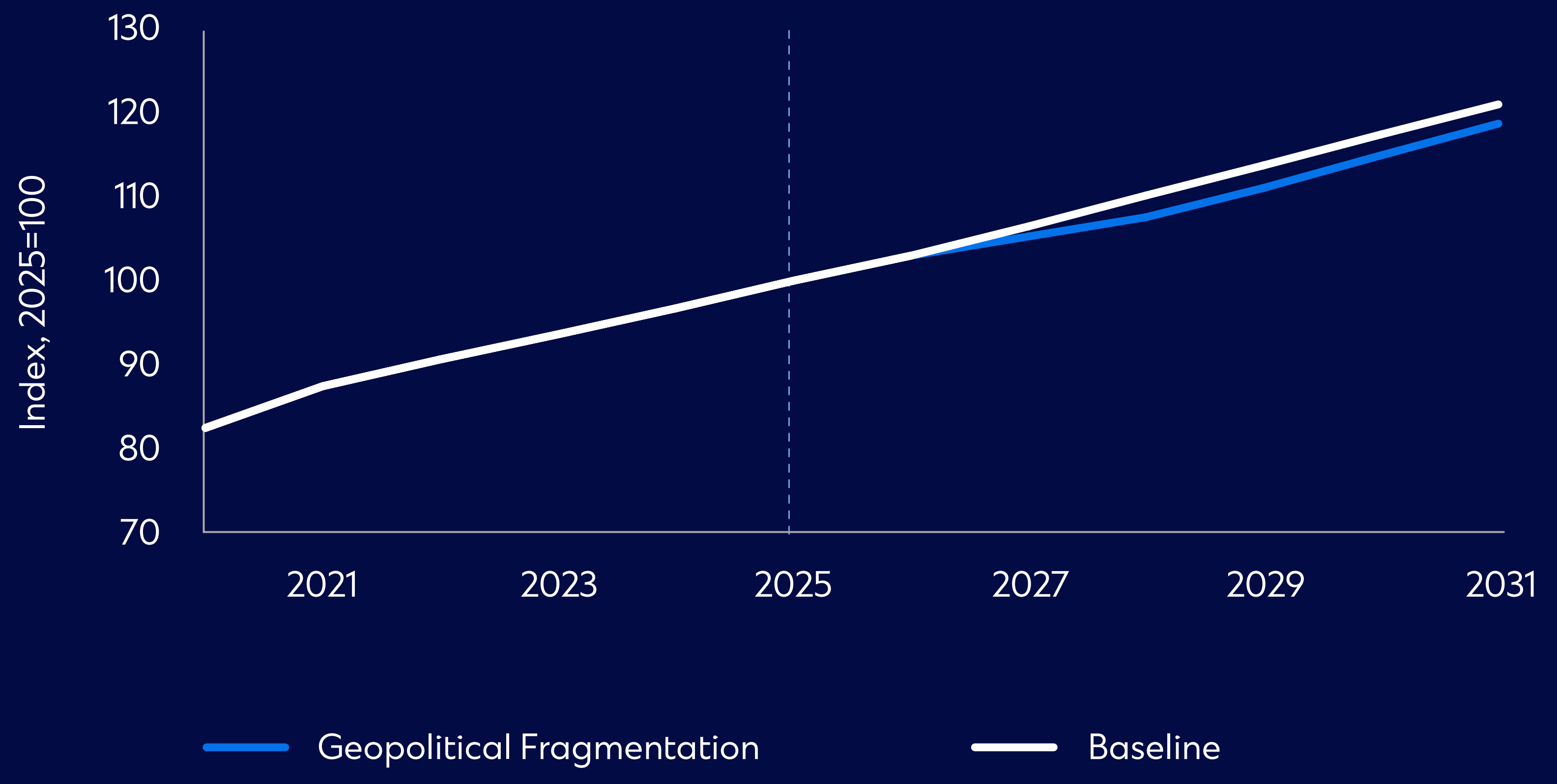
Corporates should plan for slower growth – not a global recession

Global GDP would continue to expand rather than fall into recession. Growth would average 2.2 per cent each year from 2027 to 2028, before recovering to 3.3 per cent a year from 2029 to 2031 as the initial disruption eases.

Private consumption would also continue to rise, albeit at a slower pace than recently. Consumption growth would slow to 2.7 per cent a year from 2027 to 2031 – slightly below its 3 per cent average across 2023 to 2025.

The focus should be on weathering the slower-growth period while preparing for the subsequent acceleration. Corporates that preserve liquidity, visibility and customer relationships could deploy capital as competitors retreat and capture opportunities as growth strengthens.

World real GDP tracks below baseline but continues to grow



* For consistency, trade, GDP in purchasing power parity, and consumption figures are expressed in USD, 2026 prices whenever applicable.

Adapting to fragmentation can unlock new growth opportunities

Geopolitical Fragmentation

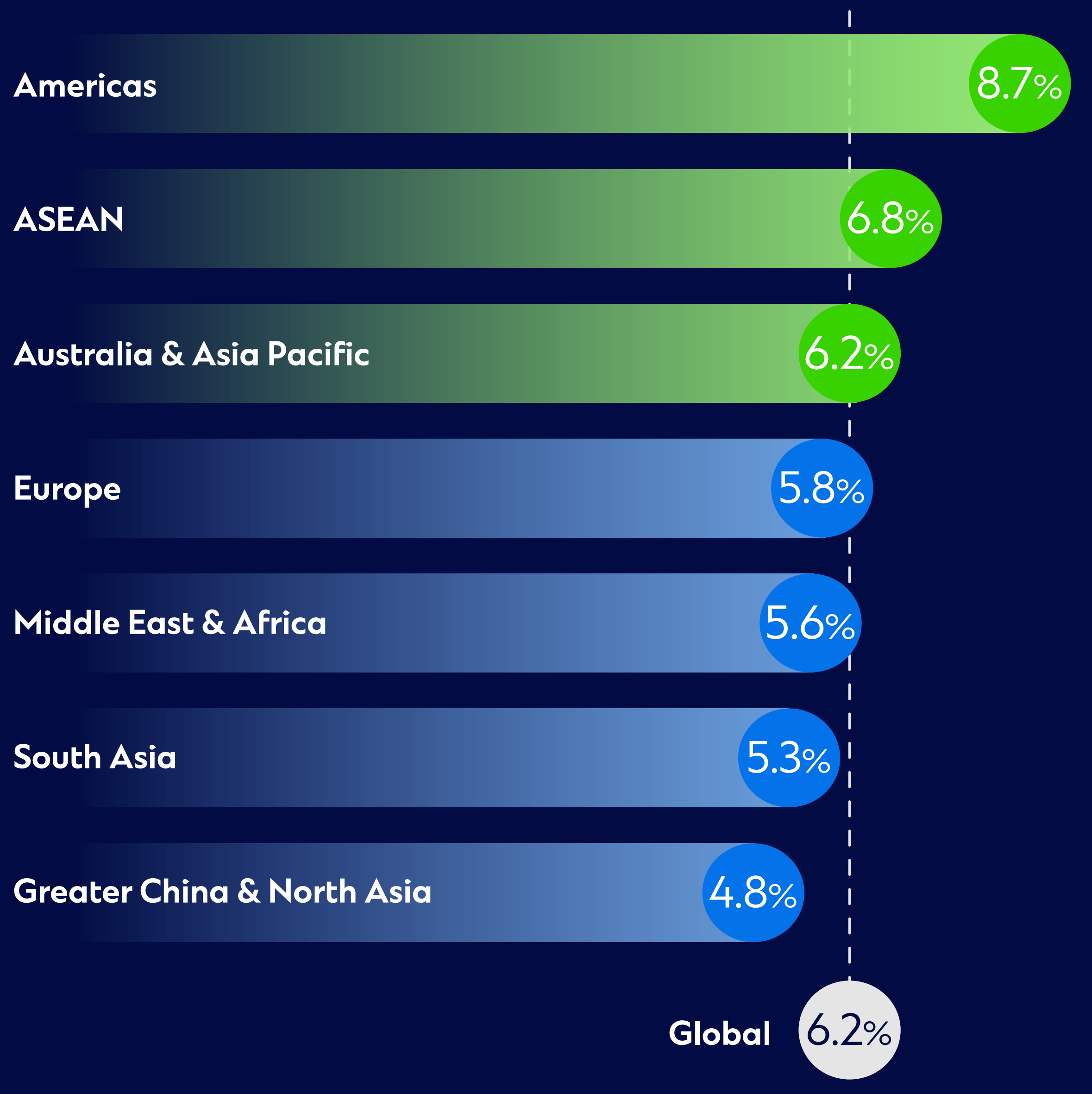
Cost agility could become a growth strategy

In the Geopolitical Fragmentation scenario, cost control would command a premium. Globally, producer prices – a measure of price pressures before goods reach consumers – would average 6.2 per cent above baseline. The increase would be greatest in the Americas (8.7 per cent), ASEAN (6.8 per cent), and Australia and Asia Pacific (6.2 per cent).

For corporates operating across multiple markets, visibility into where cost pressures would emerge – and the agility to respond – would be critical to protecting margins and cash flow while capturing opportunities in less-affected markets.

Cost increases vary considerably across regions, with the Americas most heavily impacted

Average annual PPI increase above baseline, by region, 2027-2031 (%)



Trade diversion would redraw the commercial geography

Large-scale disruption destroys some trade, but much of it is simply redirected to new hotspots. Europe's intra-regional corridor would gain 5.3 percentage points of global trade, the largest shift of any corridor. By contrast, Greater China and North Asia's intra-regional share would fall by 1.4 points, while its trade with Europe would also weaken.

Greater China and North Asia gains share in exports to the Middle East (+0.2 percentage points), South Asia (+0.3), and ASEAN (+0.5), while ASEAN gains around 0.2 percentage points in exports to the Americas.

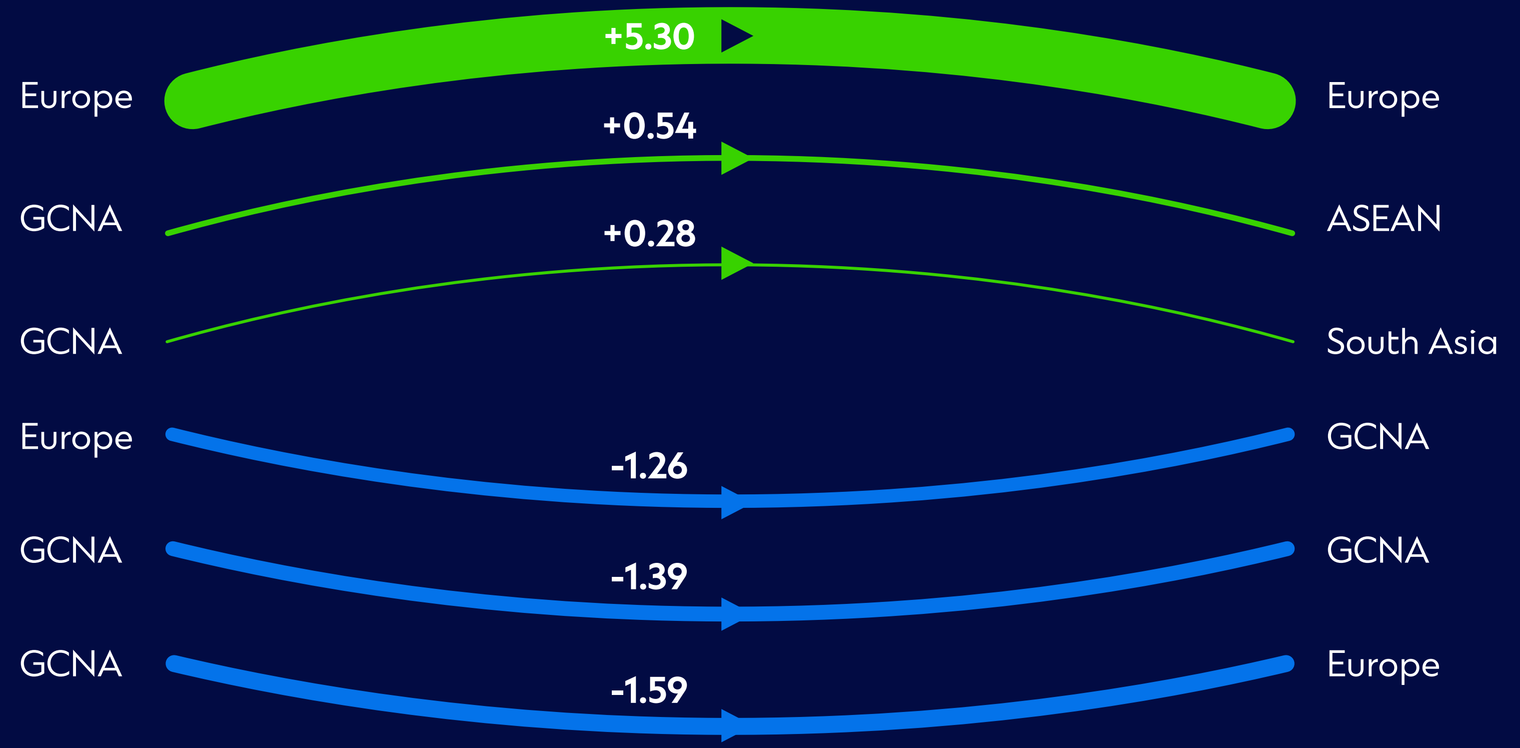
Stronger FX management could create an advantage

Fragmentation would drive significant currency swings, ranging from a 15.6 per cent depreciation in Middle East & Africa to a 9.9 per cent appreciation in Australia & Asia Pacific against the US dollar.

These shifts are large enough to reshape revenues, costs and cash positions – as well as the economics of where businesses source, produce and sell.

While overall trade value falls there are opportunities in certain corridors for substantial gains

Largest gains and losses in corridor trade share, percentage points, 2027-2031 average



* For consistency, trade, GDP in purchasing power parity, and consumption figures are expressed in USD, 2026 prices whenever applicable.

The digitalisation imperative

Most corporates already report measurable gains from digitalisation, but those gains remain concentrated across relatively few capabilities, while mature implementation is still uncommon.

“Few periods in recent history have combined such profound uncertainty with such rapid advances in digital capability.

Geopolitical fragmentation and shifting trade are intersecting with advances in AI, real-time payments and digital assets to create new possibilities for how trade can be financed, managed and scaled. The opportunity is profound but realising it requires more than technology adoption alone. It requires trusted networks, strong partnerships and the ability to connect ecosystems at scale.

At Standard Chartered, we believe the future belongs to organisations that can bridge ecosystems, connect markets and unlock new opportunities across the world’s most dynamic trade and investment corridors. Our role is to help clients navigate this evolution with confidence, leveraging the power of our network to create trusted pathways between the traditional and digital worlds of finance, and enabling them to participate in the next chapter of global commerce.

Ole Matthiessen
Global Head
Transaction Services &
Digital Assets

Digitalisation is already delivering measurable value

80 per cent of corporates report measurable gains from at least one digital capability, while corporate leaders expect digitalisation to reduce costs. Investment in digital tools is becoming a greater priority as businesses look to manage increasingly complex trading networks.

Deeper digitalisation means greater gains

Realised gains remain concentrated across relatively few capabilities, while mature implementation is still uncommon. AI, digital assets and other emerging technologies offer further potential, but corporates are at different stages of turning interest and adoption into measurable value.

Digital leaders have the advantage

Corporates further ahead in digitalisation are more likely to combine strong digital foundations with frequent scenario analysis and closer treasury–supply chain integration. The advantage is practical: better visibility, more prepared decision-making and a greater ability to respond as risks emerge. Corporates therefore should not simply adopt more technology, but to embed digital capabilities more deeply into how the business operates.

Digitalisation
Trade digitalisation involves the use of digital technologies to make global trade more efficient, inclusive, and sustainable.

Digital capabilities
Our survey posed questions about 10 digital capabilities transforming trade, spanning core technologies such as automated payments and digital trade documentation to emerging solutions like digital currencies, tokenisation, and scenario modelling.

Managing complexity demands tighter digital integration

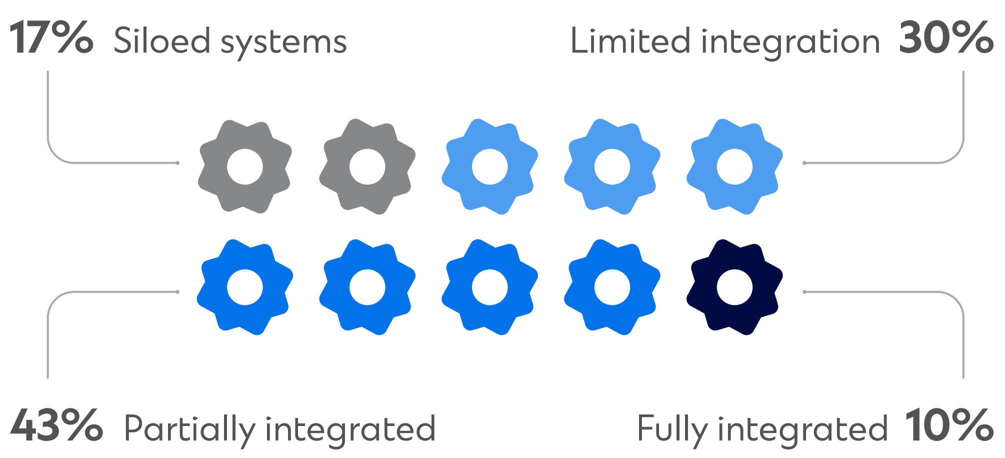
Treasury and supply chain can integrate further

While 83 per cent of corporates had some level of integration between treasury and supply chain, only 10 per cent of corporates report full integration.

As supply chains grow more complex, closer coordination between operations and finance represents an opportunity to improve visibility, resilience and decision-making. Treasury and business teams now have a shared priority: maintaining customer trust by focusing not only on cost efficiency, but also on resilience and continuity.

83 per cent of corporates have integrated treasury and supply chain operations

Share of corporates by level of treasury-supply chain digital integration (%)



Corporates with the largest integration gaps are taking action

Businesses with the furthest to go are placing the greatest emphasis on integration. Among corporates currently operating in silos or with limited integration, 39 per cent are prioritising closer integration over the next three to five years, compared with 25 per cent of other businesses.

Their biggest hurdle is visibility

The most commonly cited integration gap is limited end-to-end visibility across operational and financial flows, identified by more than 34 per cent of corporates.

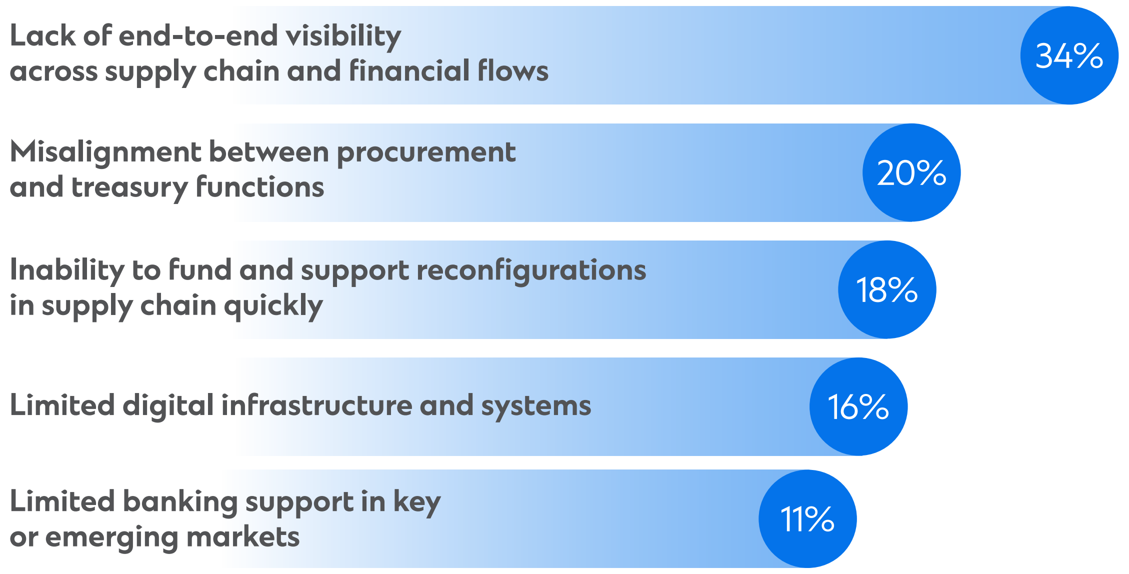
Digitalisation can help close this gap

The benefits are clear: 74 per cent agree that digital treasury capabilities can improve resilience in managing cash, liquidity and FX exposures during market uncertainty. And 82 per cent say digital tools enhance decision-making through stronger visibility and forecasting across supply chain and financial activities.

In an increasingly complex trade environment, digitalisation connects the dots between treasury and operations, turning fragmented data into actionable insight.

Visibility is the largest integration gap

Share of corporates identifying the following as the largest treasury-supply chain gap (%)



Corporates perceive digitalisation as a means to unite financial and operational decision making

82%
of corporates agree or strongly agree that digitalisation helps to **enhance decision-making through better visibility and forecasting** across the supply chain and financial flows.

74%
of corporates agree or strongly agree that digitalisation helps to **manage cash, liquidity, and FX risks** during periods of volatility.

Key takeaways

Full integration of treasury functions is rare
83 per cent have some integration between treasury and supply chain; only 10 per cent are fully integrated.

The least integrated are moving fastest to address this
39 per cent of siloed businesses are prioritising it, against 25 per cent of others.

Digital tools are seen as the answer
82 per cent say these tools sharpen decision-making; 74 per cent report that they build financial resilience.

Digitalisation could help offset the costs of reconfiguration

Two cost curves move in opposite directions

Corporates expect supply-chain reconfiguration to increase their overall cost of trading by around 13 per cent over the next three to five years.

At the same time, they expect digitalisation to reduce costs by around 20 per cent across multiple stages of the trade process. Expected cost reductions range from 19 per cent for meeting compliance and regulatory requirements to almost 22 per cent for executing payments and settlements.

The findings suggest digitalisation can absorb part of the cost pressure supply chain reconfiguration creates.

Savings are expected across the trade process

Corporates expect digitalisation to reduce costs across the trade process, not just in isolated activities. The relatively even pattern of expected savings suggests that the value of digitalisation is cumulative, spanning multiple stages of cross-border trade – from finding counterparties and meeting regulatory requirements to executing transactions.

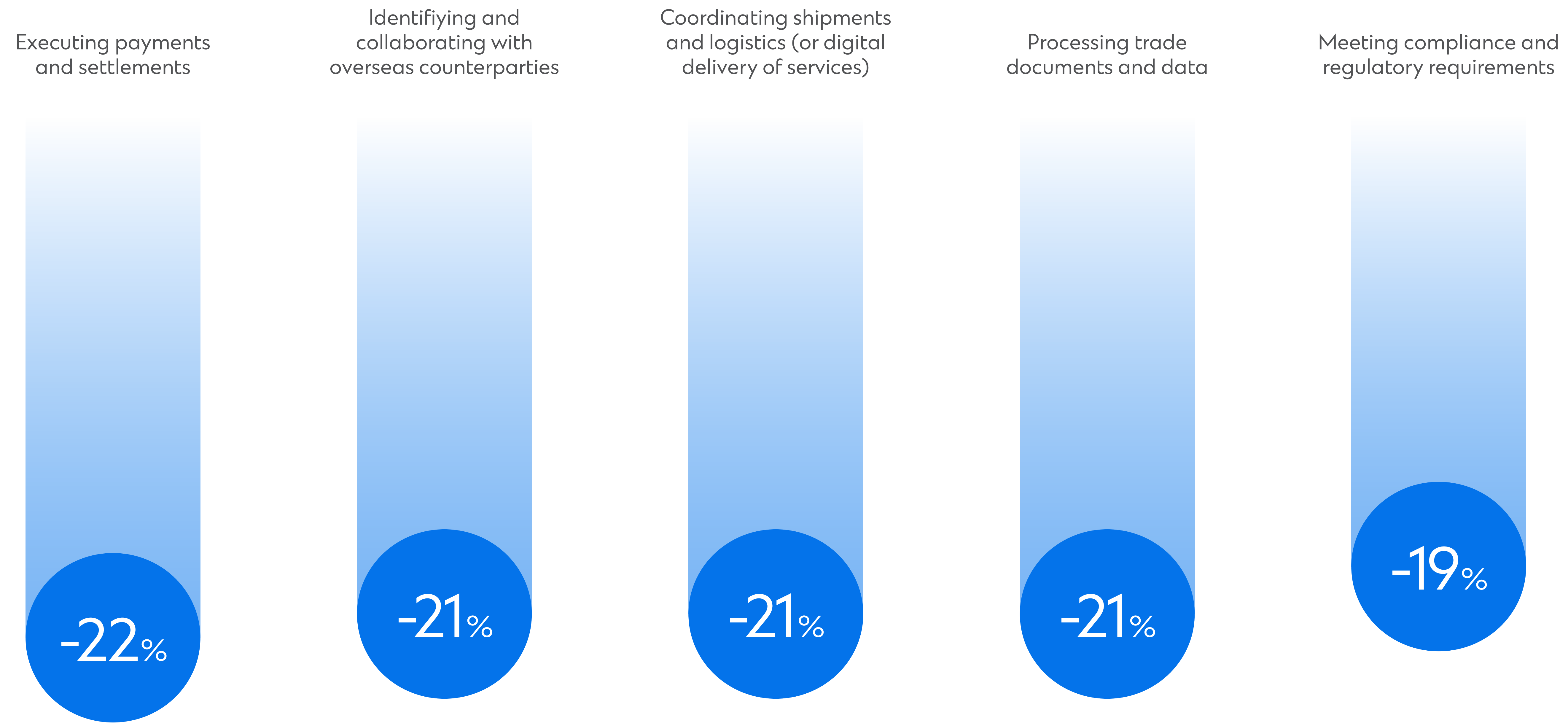
The opportunity extends beyond transactions

Some 63 per cent of corporates expect digitalisation to reduce the cost of identifying and engaging overseas counterparties by at least 20 per cent. Digital tools can support them in identifying attractive markets, assessing expansion opportunities and streamlining the process of finding and onboarding suppliers and customers.

Digitalisation therefore offers more than transactional efficiency: corporate leaders expect it to lower the cost of operating across increasingly complex international networks.

Expected digitalisation can help offset the costs of supply-chain reconfiguration

Average decrease in trade costs for select trade processes from digitalisation (%)



Key takeaways

Digital savings can help offset supply chain reconfiguration costs

Corporates expect digitalisation to reduce selected trade-process costs by around one-fifth.

Savings are spread across the trade process

Expected cost reductions range from compliance and regulation to payments, logistics and counterparty identification.

Early digitalisation gains point to a bigger opportunity

Digitalisation is becoming a greater priority

Investment in digital tools is rising. Over the past year, 34 per cent of corporates ranked it among their top three responses to uncertainty in the global trading environment; looking ahead, that share rises to 38 per cent over the next three to five years.

An opportunity to broaden realised gains

80 per cent of corporates report measurable gains from at least one digital capability - evidence that the value is real and already being realised. But relatively few are capturing benefits at scale: only 7 per cent report gains across five or more capabilities. The pattern reflects low adoption rates rather than any limits of what digitalisation can deliver.

The picture also varies by region. Europe leads, with 93 per cent of corporates reporting measurable gains from at least one capability, followed by ASEAN at 86 per cent. South Asia and the Middle East and Africa both stand at 79 per cent, while Australia and the Pacific trails at 60 per cent.

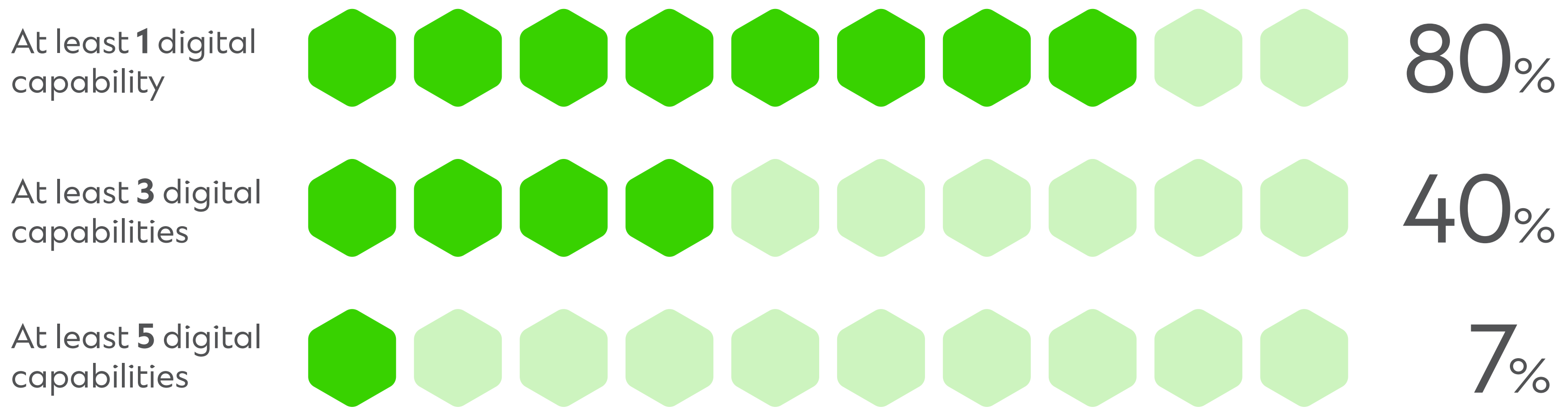
Implementation remains shallow even in the most established capabilities

Even the most maturely adopted digital capability – automated payments and collections – has reached full implementation in only 37 per cent of corporates. Digital trade document management stands at 21 per cent, while newer technologies remain much further behind, at 10 per cent for digital currencies and 8 per cent for tokenisation and distributed-ledger technology.

This gap likely reflects a mix of external and internal constraints: standardisation in both regulation and technology interoperability limits market-wide adoption, while larger businesses carrying legacy technology face added difficulty modernising without undermining prior investment. Full implementation may therefore lag adoption even where corporate leaders are willing, but not yet able, to move.

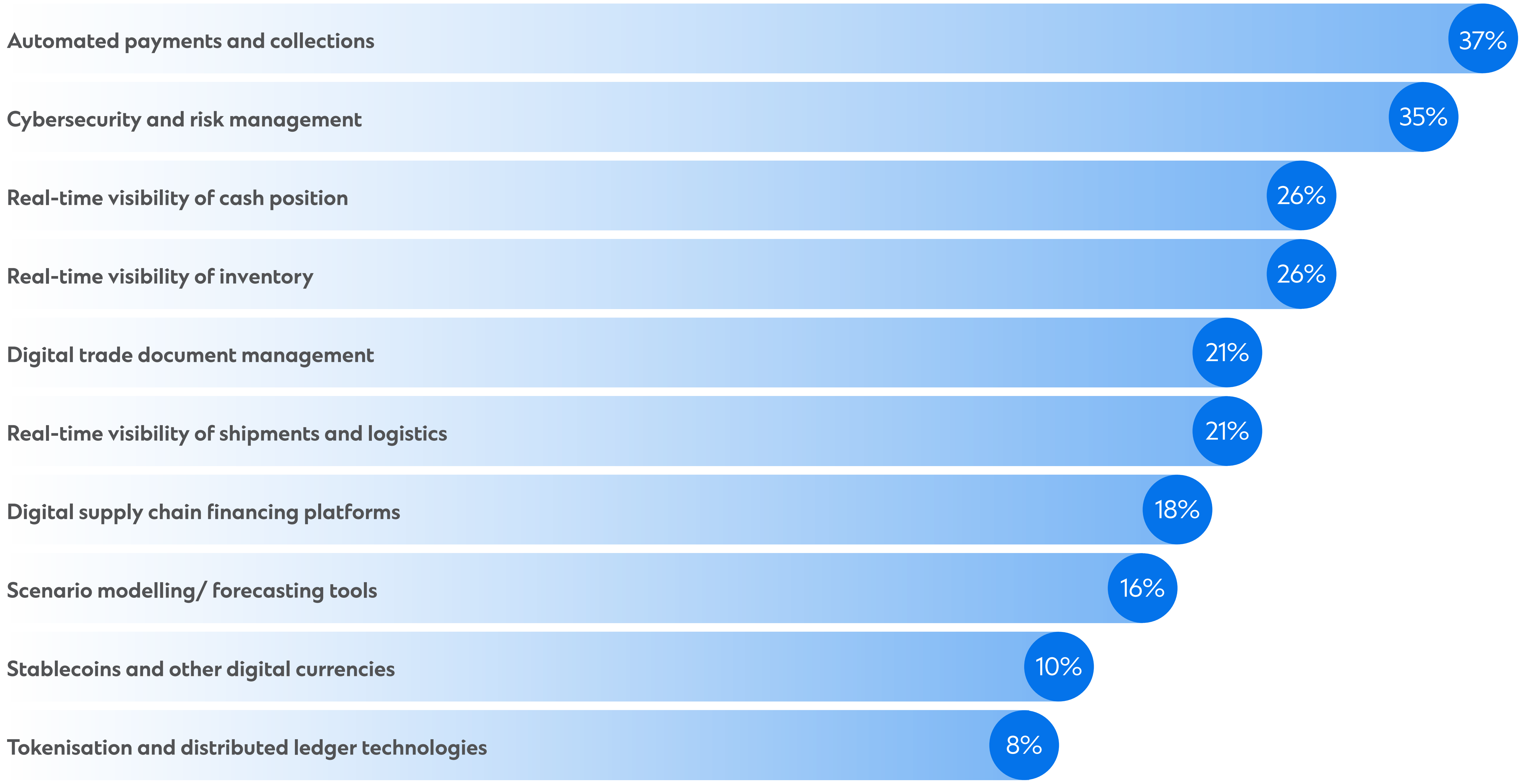
Most corporates have proven the value – few have scaled it

Share of corporates reporting clear benefits from at least N capabilities



Most digital capabilities remain short of mature implementation

Share of corporates reporting mature implementation (%)



Key takeaways

Most corporates are seeing digital gains
Four in five corporates report measurable gains from at least one digital capability.

Few corporates capture gains at scale
Only 7 per cent report measurable gains across at least five digital capabilities.

AI drives greater efficiency across trade processes

AI is widely seen as relevant to the future of trade

More than half corporates see AI and advanced analytics as highly relevant or transformational to advancing trade digitalisation over the next three to five years. Expectations are highest in the technology, media and telecommunications sector (TMT), and in energy, at 62 per cent in both sectors, compared with 49 per cent in industrial goods and automotive.

Corporates see near-term value before transformation

AI attracts the highest share of corporates rating a technology as highly relevant, at 43 per cent. Yet only 14 per cent describe its potential as transformational – the lowest share among the technologies assessed.

This suggests corporates currently see AI's greatest potential in improving how trade processes work, rather than funadamentally reshaping them. Respondents point to applications including detecting anomalies, anticipating disruption and identifying market trends.

A WTO-ICC survey found that 90 per cent of businesses already using AI reported measurable benefits, including improvements in productivity and efficiency and greater product diversification. Around 75 per cent had also integrated AI into customs-related operations.

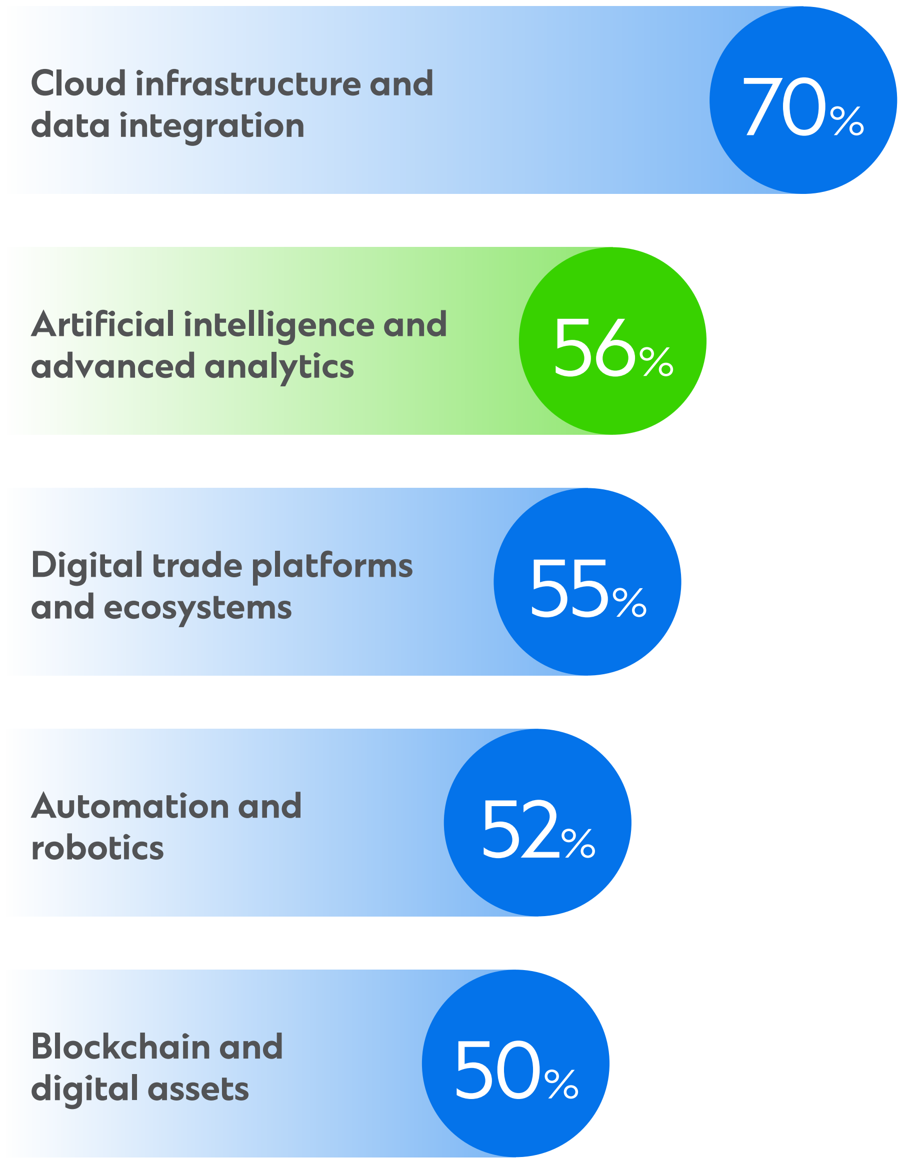
Cloud remains the foundation

Cloud technology ranks highest overall for its potential to advance trade digitalisation, with 70 per cent of corporates describing it as highly relevant or transformational. It also ranked first in last year's survey. Its continued prominence points to the importance of the underlying data and infrastructure needed to deploy other technologies effectively. As interest in AI grows, the foundations that allow businesses to integrate and scale it remain just as important.

> **AI improves visibility and decision-making:**
>
> **Supplier performance and geopolitical developments get tracked by AI to flag potential supply disruptions.**
>
> VP, Consumer, Retail, Healthcare, and Professional Services, UK
>
> **AI detects fraudulent transactions early, improving financial security across international trade payments and business relationships consistently.**
>
> Director, TMT, Nigeria
>
> **AI and advanced analytics will help us predict demand patterns, reduce trade inefficiencies, and improve decision making accuracy across global operations.**
>
> Director, Natural resources, Singapore

AI and cloud emerge as the leading enablers of trade digitalisation

Share of corporates identifying each technology as highly relevant of transformational (%)



> **AI tools can truly help us break some information silos. In the past, certain information sat within finance teams while other information remained within operations, making it difficult for people to access insights across functions. Given the huge amount of data, it was challenging to link and analysis operation drivers behind financial movement. Now, you can ask AI some simple questions and get insight instantly from both the operations and finance teams. This is helping us cut down on costs and improve our operations**
>
> We sometimes choose to be more reactive. If you try to put every preventative measure in place in advance, the cost can be extremely high, and many risks remain unpredictable. Therefore, we recognise that we need to be able to react very quickly to certain situations rather than trying to plan for everything perfectly.
>
> AI helps with this reactivity. We have a very good internal database, and we have applied AI agents and chatbots on top of these databases, allowing us to generate insights very quickly and reducing the need for people to carry out extensive manual work.
>
> For example, we have demand signals from different sales markets and give demand signal allocation to different factories. In the past, someone could have spent a week to do this allocation, but AI assisted solution we are exploring can shorten the lead time significantly. Factories can receive information, forecast, and prepare their production plans more efficiently.
>
> **Linda Wang**
> Senior Finance Director
> Adidas Sourcing Limited

Key takeaways

Cloud remains the foundation
Cloud technology ranks highest for advancing trade digitalisation, with 70 per cent calling it highly relevant or transformational..

AI is relevant before it is transformational
More than half of corporates see AI as highly relevant or transformational, but only 14 per cent call it transformational.

A transformational view of digital assets, but a measured adoption

Adoption remains limited despite strong expectations

Half of corporates expect blockchain and digital assets to advance trade digitalisation over the next three to five years, although they rank lowest among the five technology trends tested. Current adoption is still relatively low: 30 per cent for stablecoins and digital currencies, and 22 per cent for tokenisation and distributed-ledger technology (DLT), such as blockchain. Planned investment is lower still, at 16 per cent and 14 per cent respectively.

The gap between perceived potential and investment suggests that many businesses have yet to move from interest to implementation.

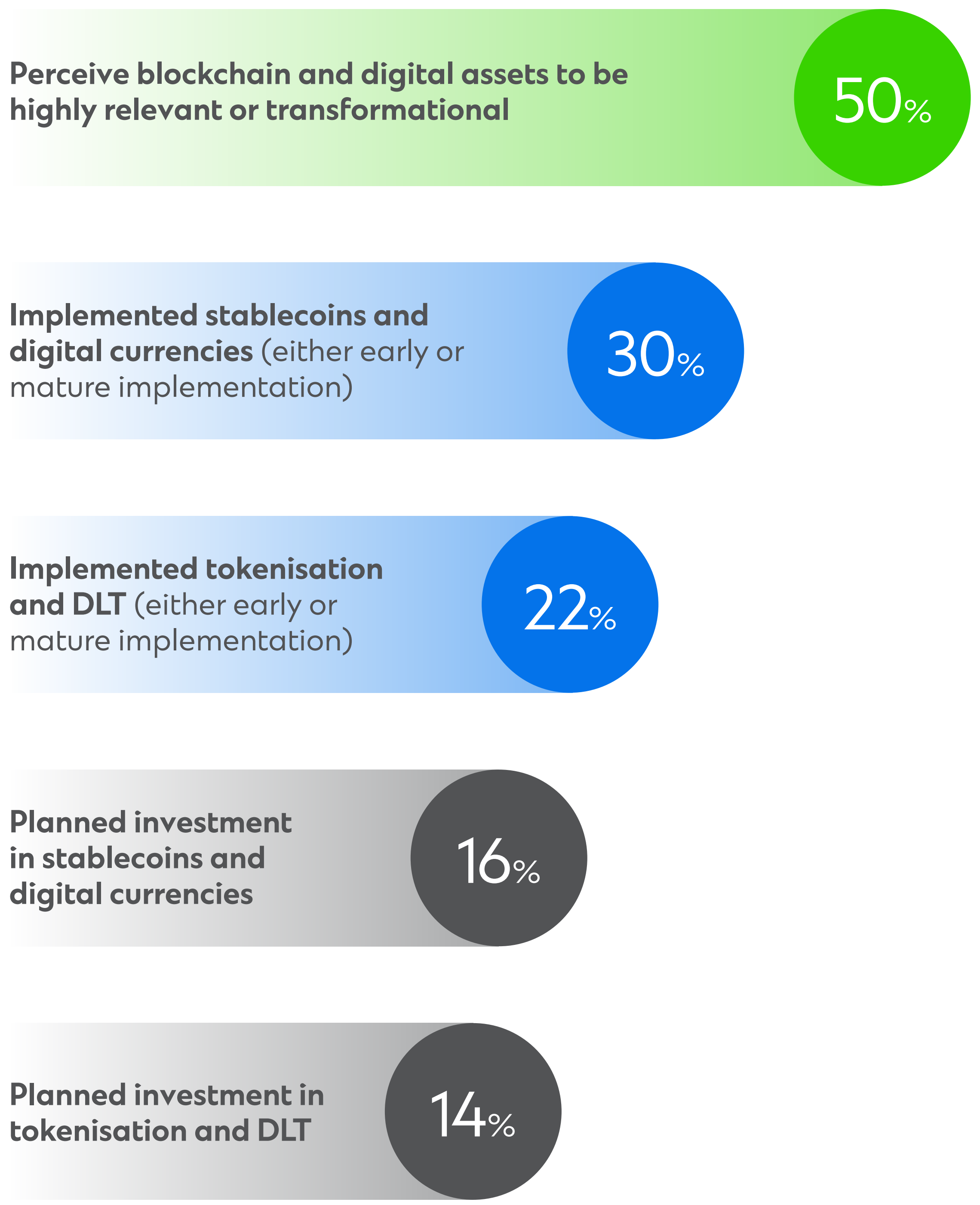
Early adopters are finding value in certain sectors

Among corporates that have implemented tokenisation and DLT, reported benefits are strongest in energy and consumer-facing sectors, where around 30 per cent of early or mature adopters report clear measurable gains. This suggests that, while adoption remains relatively limited overall, some businesses are already finding practical value from these technologies.

Progress is uneven across sectors, however, with different industries prioritising different applications. Looking ahead, 20 per cent of TMT businesses plan to invest in stablecoins and digital currencies, while around 17 per cent of consumer-facing businesses plan investment in tokenisation and DLT.

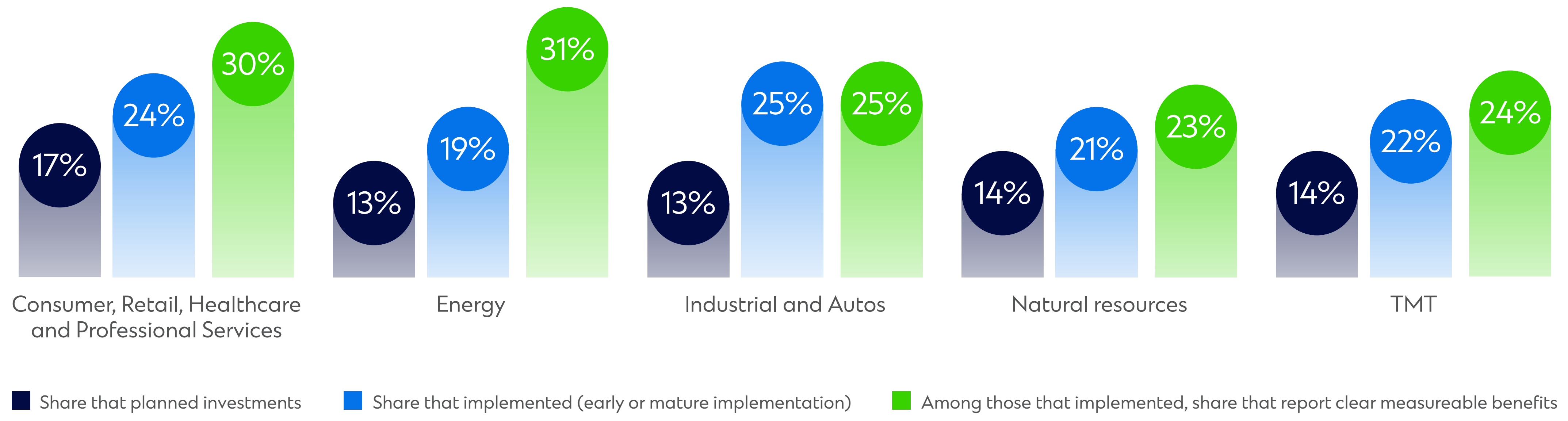
Digital assets attract interest, but limited follow-through

Share of corporates (%)



The benefits of tokenisation and DLTs are felt differently across sectors

Share of corporates (%)



Collective action is crucial for scale

While some corporates see digital assets as complementary to other innovative technologies such as AI, wider adoption depends on more than individual businesses' willingness to invest. Tokenised assets need coordinated participation across buyers, suppliers, banks, governments and central banks so they can operate within trusted and interoperable trade ecosystems.

> **Corporates see AI and digital assets as complementary for building trusted and efficient trade:**
>
> **Global commerce is being reshaped through greater efficiency and trusted transactions via AI and blockchain, keeping partners engaged long term.**
>
> C-Suite, Industrial and Autos, Japan
>
> **By applying AI and blockchain technologies we can enhance trade efficiency, transparency, and secure global transactions.**
>
> Director, Energy, Singapore

Key takeaways

Interest is ahead of adoption

Half of corporates expect blockchain and digital assets to advance trade digitalisation, but investments remain limited.

Scale requires ecosystem acceptance

Digital assets can only scale when buyers, suppliers, banks, governments and central banks operate within a trusted framework.

Regions leading on different dimensions of digital maturity

Regions are building different digital foundations

Digitalisation is developing differently across markets. Greater China & North Asia stand out for implementation, with 81 per cent reporting early or mature implementation across at least five digital capabilities, compared with 67 per cent globally.

Digitalisation journey across regions

Total share of corporates with at least five digital capabilities with:

Total

Early/mature implementation

67%

Clear measurable benefits

7%

Investment plans

25%

Investment momentum is strongest where gaps remain

Europe is closer to the global average on implementation but leads on future investment plans, with 32 per cent of corporates planning to invest in at least five digital capabilities over the next three to five years. South Asia combines relatively strong implementation with a comparatively high share of businesses reporting clear measurable gains, while the Middle East & Africa has further to go on implementation but maintains robust investment intentions.

The differences suggest there is no single route to digital maturity: some regions are further ahead in implementation, while others stand out for realised gains or investment momentum.

The value of digitalisation is recognised across every region

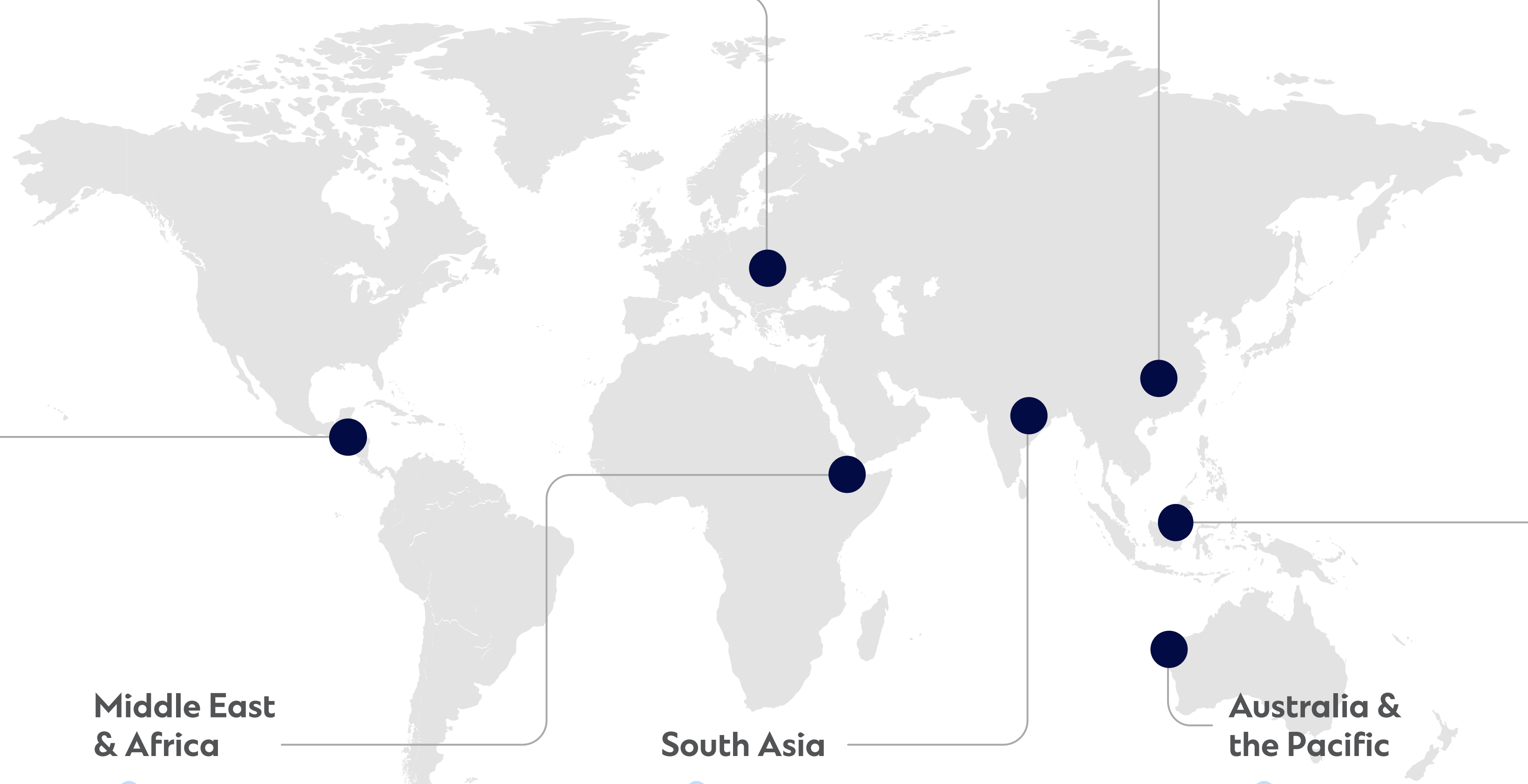
Despite these different starting points, corporates across regions consistently see advantages from digital capabilities.

Among ASEAN corporates, 86 per cent say digitalisation enhances decision-making through greater visibility and forecasting across supply chains and financial flows, the highest proportion globally. By comparison, 76 per cent of European corporates report the same benefit. Digital tools also strengthen resilience, demonstrated by 87 per cent of corporates in South Asia who say they help them respond faster to supply chain disruptions, compared with 77 per cent in ASEAN.

Despite different starting points, corporate leaders across regions report similar benefits from digitalisation: better visibility, stronger decision-making and faster responses to disruption. The implication is that the route to maturity may differ by market, but the value they are seeking is broadly consistent.

Digitalisation journey across regions

Share of corporates with at least five digital capabilities with:



Region	Early/mature implementation	Clear measurable benefits	Investment plans
Europe	67%	9%	32%
Greater China & North Asia	81%	7%	26%
Americas	59%	5%	22%
Middle East & Africa	60%	7%	27%
South Asia	75%	10%	19%
Australia & the Pacific	64%	3%	14%
ASEAN	65%	8%	27%

Key takeaways

Regions are digitalising at different speeds

Greater China & North Asia leads on implementation, while Europe stands out for future investment plans.

Digital value is recognised everywhere

Across regions, most corporates say digitalisation improves decision-making through better visibility and forecasting.

There is no single route to maturity

Some regions lead in implementation, others in realised gains or investment momentum.

Digital leaders appear better equipped to navigate structural uncertainty

Leaders report greater resilience amid volatility

Digital leaders are more likely than laggards to say digitalisation helps them respond quickly to supply-chain disruption and manage cash, liquidity and FX risks.

They are also less likely to expect very large increases in trade costs from supply-chain reconfiguration: 30 per cent expect costs to rise by more than 15 per cent, compared with 37 per cent of laggards.

Taken together, the findings suggest that businesses with deeper digital capabilities feel better equipped to manage the financial and operational consequences of a more uncertain trading environment.

They also invest more broadly to sustain that advantage

Digital leaders continue to invest across a wider range of capabilities. Some 92 per cent plan to invest in at least three digital capabilities over the next three to five years, and 28 per cent in five or more.

Their investment also extends beyond established tools: 18 per cent plan investment in tokenisation and distributed-ledger technologies, compared with 13 per cent of laggards.

This suggests that digital maturity is not a fixed destination. Businesses already further ahead are continuing to broaden their capabilities, potentially widening the gap with slower adopters.

The benefits are perceived to extend beyond the individual firm

78 per cent of digital leaders say their digitalisation efforts enhance resilience and continuity in global trade during disruptions, compared with 64 per cent of laggards.

This points to a wider implication: as corporates become better connected and more responsive, digitalisation may support resilience not only within individual businesses but across the trading relationships and ecosystems in which they operate.

Share of corporates (%)

		Digital laggards	Digital leaders
Digital leaders report greater confidence in the face of volatility and cost pressures	Agree or strongly agree that digitalisation helps them respond quickly to supply chain disruptions	81%	87%
	Agree of strongly agree that digitalisation improves their ability to manage cash, liquidity, FX risk	71%	79%
	Expect more than 15% increase in trade costs due to supply chain reconfiguration	37%	30%
Digital leaders are investing across more digital capabilities simultaneously	Invest in at least three digital capabilities in the next 3-5 years	86%	92%
	Invest in at least five digital capabilities in the next 3-5 years	24%	28%
Digital leaders see wider resilience benefits from digitalisation	Agree or strongly agree that their digitalisation efforts enhance resilience and continuity in global trade during disruptions	64%	78%

Key takeaways

Digital leaders are more confident on costs

Digital leaders are less likely than laggards to expect trade costs to rise by more than 15 per cent.

Leaders are investing across more capabilities

Some 92 per cent of digital leaders plan to invest in at least three digital capabilities.

Digitalisation strengthens the wider ecosystem

78 per cent of digital leaders say their digitalisation efforts enhance resilience and continuity in global trade.

Digital leaders offer a playbook for turning technology into capability

Leaders combine strong foundations with more advanced capabilities

Digital leaders are more likely than laggards to report early or mature implementation across both established and more advanced digital tools. The largest gaps are in digital supply-chain finance and scenario modelling, at 33 and 32 percentage points respectively.

The gap also extends to foundational capabilities such as digital trade documentation, where leaders outperform laggards by 27 percentage points. This suggests that digital maturity is not simply about adopting newer technologies: it depends on combining strong digital foundations with more sophisticated capabilities.

Leaders use scenario tools more frequently – and more deeply

Almost 90 per cent of digital leaders use scenario-modelling tools in some capacity. Just under a third use them weekly or monthly, compared with 19 per cent of digital laggards.

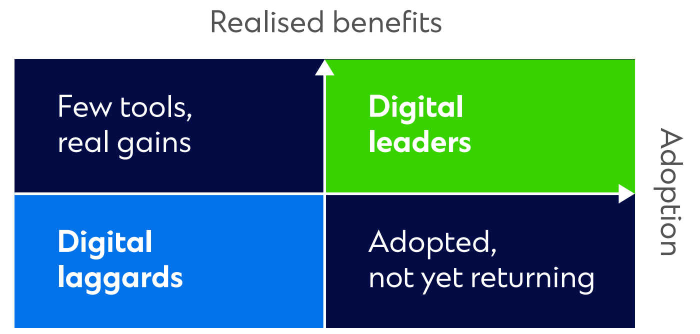
Leaders also test a wider range of possible futures: 76 per cent assess at least three scenarios, while 24 per cent model five or more simultaneously.

As structural uncertainty intensifies, this more frequent and sophisticated use of scenario analysis gives businesses a stronger basis for anticipating risks, testing responses and adapting decisions as conditions change.

Greater integration helps turn insight into action

Siloed treasury and supply-chain operations are more common among digital laggards than leaders. But laggards also recognise the need to close this gap: 39 per cent rank closer treasury–supply chain integration among their top priorities for the next three to five years, compared with 33 per cent of digital leaders.

The distinction therefore appears to be not simply which technologies corporates adopt, but how effectively they connect digital tools, data and decision-making across the business.



Digital leaders
Digital leaders are defined as businesses scoring above the sample median on both implementation maturity and realised benefits across the 10 digital capabilities examined in the survey.

Share of corporates (%)

		Digital laggards	Digital leaders
The gap spans both core and advanced capabilities	Early and mature implementers in digital supply chain financing platforms	36%	69%
	Early and mature implementers in scenario modelling/forecasting tools	39%	70%
	Early and mature implementers in digital trade document management	53%	80%
Leaders use scenarios more frequently and model more possible futures	Not using scenario modelling/don't know	27%	11%
	Use scenario modelling weekly/monthly	19%	30%
	At least 3 scenarios modelled	62%	76%
	At least 5 scenarios modelled	16%	24%
Digital laggards face more system silos, but know integration is key	Siloed systems between treasury and supply chain	18%	14%
	Treasury-supply chain integration being among the top three priority actions in the next 3-5 years	39%	33%

Key takeaways

Digital leaders scenario-plan more often
30 per cent of digital leaders use scenario tools weekly or monthly, compared with 19 per cent of laggards.

Leaders model more complex futures
24 per cent of digital leaders model at least five scenarios simultaneously.

The capability gap spans core and advanced tools
Digital leaders outperform laggards in both foundational tools such as trade documentation, and advanced tools such as scenario modelling.

Scaling digitalisation

Accelerating digitalisation could unlock USD2.8 trillion in trade. Faster digitalisation could increase global trade by 6.9 per cent by 2031, with services trade leading the gains. Capturing it will require corporates, banks and governments to invest in the capabilities, infrastructure and interoperability needed to scale digital trade.

> **Trade digitalisation changes more than the company that invests in it. As more businesses adopt it, trade gets more efficient, markets that were hard to reach open up, and the competition changes. Those that move first usually gain the most.**
>
> None of this happens in a neat line, and the effects show up in other businesses and economies in ways that are hard to predict. Scenario modelling helps us follow those links and put a number on them – where the effects land, and how big they are likely to be.
>
> That is the difference between knowing a risk exists and being ready for it: not one view of the future, but a clear idea of what several futures would mean for the business, and the confidence to act before you know which one you're in.

Thang Nguyen-Quoc, Ph.D.
Macroeconomic Consulting, Asia
Oxford Economics

Corporates should look inward first

Internal capabilities, legacy technology and fragmented data remain the leading barriers to digitalisation. Smaller businesses are the most exposed, lacking the resources to adopt digital tools at pace.

Banks and governments need to build the foundations

Trust and scale rest on infrastructure and coordinated regulation. Emerging technologies, such as digital assets, need enabling capabilities, from secure custody provided by banks to clear regulatory guidance from governments.

Systems must connect across borders

Digital trade agreements are establishing common rules on data flows, digital identities and electronic documents, but data localisation and inconsistent regulation still hold progress back. Coordination on standards and mutual recognition will determine how far the benefits reach.

Digital acceleration could unlock a USD2.8 trillion trade opportunity by 2031

Digital Acceleration

Digitalisation as a source of resilience against fragmentation

Digital acceleration could help businesses navigate growing geopolitical fragmentation and the increasing barriers to trade – lowering cross-border costs, strengthening resilience and unlocking new sources of growth. Corporates already expect digitalisation and AI to deliver significant savings across the trade process.

Under the Digital Acceleration scenario, global trade activity could be 6.9 per cent higher than Oxford Economics' August 2026 baseline forecast by 2031. This is equivalent to a USD2.8 trillion gain in trade by 2031, relative to the baseline forecast.*

The result suggests that digitalisation could serve as a source of resilience against fragmentation – supporting corporates' ability to maintain and expand trade across markets as geopolitical and operational conditions become more complex.

Services would lead the trade upside

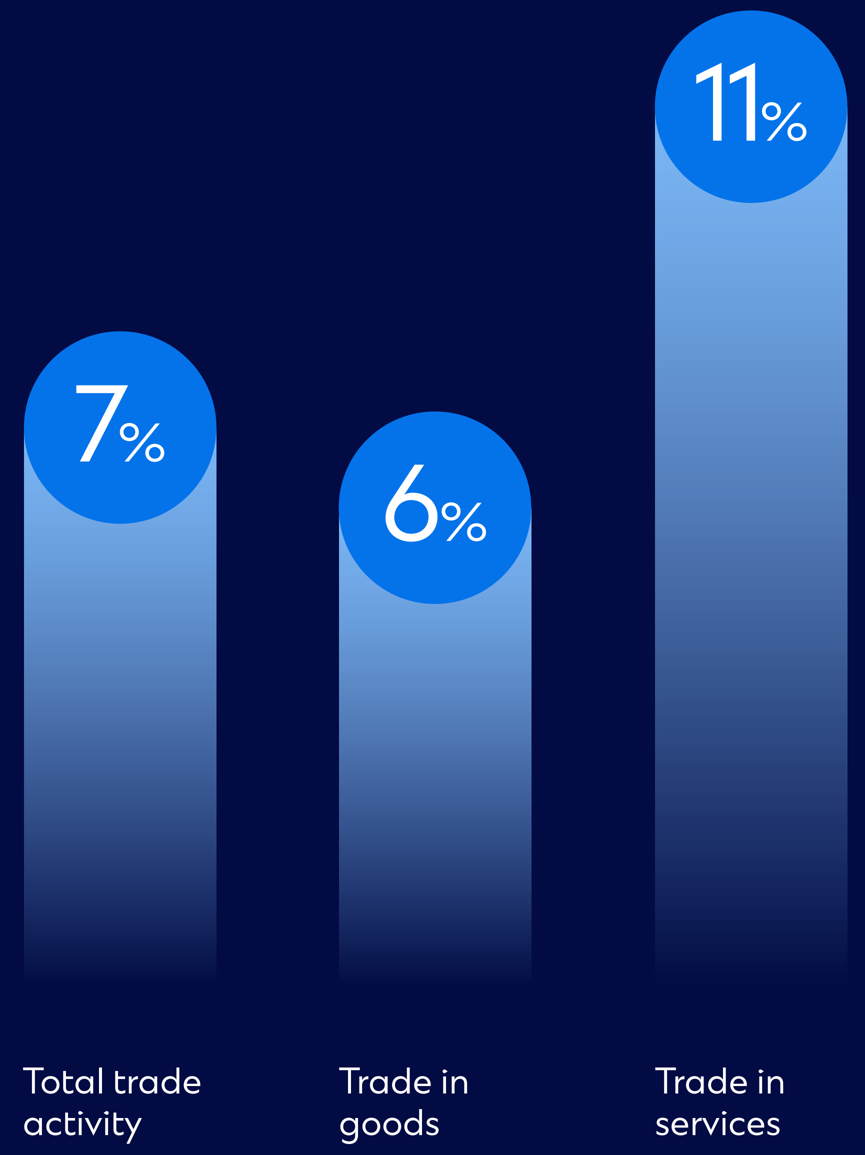
The modelling results suggest that services trade would benefit more from faster digitalisation. By 2031, services trade activity could be 11.4 per cent above Oxford Economics' baseline, compared with 5.9 per cent for goods trade.

This divergence reflects the greater scope to deliver, coordinate and sell many services across borders digitally. Better data flows, digital payments, interoperable systems and streamlined compliance can make it easier for corporates to reach customers beyond established physical-goods corridors – widening markets for remotely deliverable and digitally coordinated services.

Stronger services trade would expand the addressable market for businesses that deliver products digitally. This would create opportunities beyond established physical-goods corridors – helping them reach new customers, diversify revenues and scale across borders with fewer trade frictions.

Digital acceleration raises global trade above the baseline

Global trade under Digital Acceleration in 2031, as % difference from 2031 baseline forecast



* For consistency, trade, GDP in purchasing power parity, and consumption figures are expressed in USD, 2026 prices whenever applicable.

Capturing the digital upside requires action now

Digital Acceleration

The opportunity matters for corporates and governments

Global private consumption could grow by 3.3 per cent a year between 2026 and 2031, compared with 2.8 per cent on the baseline path, reaching around USD85.2 trillion by 2031. For corporates, the opportunity therefore extends beyond reducing the cost of existing trade: faster digitalisation could support new demand and create opportunities across markets and trade corridors.

Accelerated digitalisation could also lift global GDP growth to 3.4 per cent a year between 2026 and 2031, from 3.2 per cent on the baseline path. For governments, the wider economic benefits matter. By reducing trade frictions and enabling businesses to operate more effectively across borders, digitalisation could provide a source of resilience against geopolitical disruption.

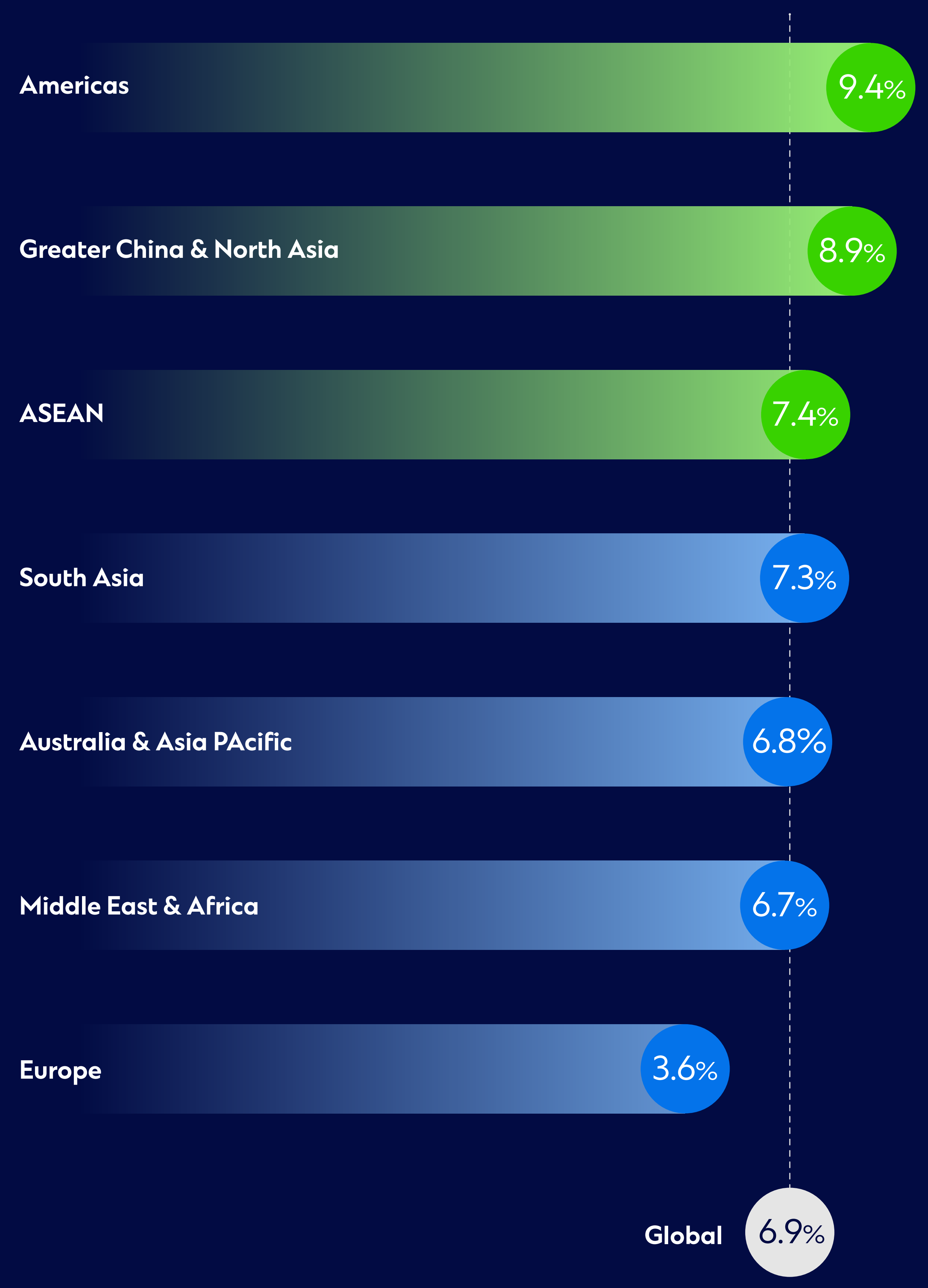
Uneven gains call for immediate actions

The modelling suggests that the benefits could vary substantially across economies. By 2031, total trade activity could be 9.4 per cent above baseline in the Americas, 8.9 per cent higher in Greater China and North Asia, and 7.4 per cent higher in ASEAN. The outcome reflects the scale of the expected reduction in trade frictions, markets' existing trade networks and the composition of their trade.

Realising this opportunity and maintaining competitiveness will require more than investment in individual technologies. Businesses need the capabilities, systems and skills to put digital tools to work; domestic trade ecosystems need the infrastructure and connections that allow businesses, banks and other partners to operate digitally; and governments need rules and standards that allow those systems to work across borders.

Digital Acceleration scenario: Annual trade growth to vary widely across regions

Regional trade under Digital Acceleration in 2031, as % difference from 2031 baseline forecast



* For consistency, trade, GDP in purchasing power parity, and consumption figures are expressed in USD, 2026 prices whenever applicable.

Corporates need to tackle the barriers within

The biggest obstacles start inside the business

Unlocking the USD2.8 trillion trade opportunity from digitalisation starts with breaking down barriers to digitalisation within each business.

Internal challenges to digitalisation (56 per cent) are more commonly cited constraints than barriers in the wider trading system, 44 per cent. The leading obstacles span internal capabilities, legacy systems, uncertain returns on investment and fragmented data.

The balance differs by sector. Manufacturers are more likely to identify external-system interoperability as a barrier (52 per cent compared with 43 per cent of services businesses), while services businesses place greater emphasis on internal skills and data fragmentation. The route to greater digitalisation therefore differs according to corporates' existing capabilities and operating models.

Capabilities, systems and data are the main hurdles

A lack of internal enterprise capabilities is the most commonly cited internal barrier, at 45 per cent, followed closely by difficulty upgrading legacy systems (43 per cent).

High costs or uncertain returns on investment are cited by 41 per cent, while 38 per cent point to fragmented data across functions.

These findings suggest that greater investment in technology alone will not be enough. Corporates also need the systems, connected data and internal capabilities required to integrate new tools into their operations and demonstrate their value.

Start where the value is clearest

Corporates can address these barriers progressively, prioritising applications where benefits can be demonstrated clearly before scaling adoption more widely. Connecting data across functions, modernising core systems and building technical and operational capabilities can provide the foundations for more advanced applications over time.

The businesses that close these internal gaps will be better placed to capture the wider trade opportunities created by digitalisation.

Small and medium enterprises (SMEs) risk being left behind

Many SMEs lack the internal capabilities needed to participate. The 2025 WTO-ICC Business Survey finds that MSMEs are more likely than larger businesses to face barriers to digitalisation such as limited in-house expertise and high upfront adoption costs.

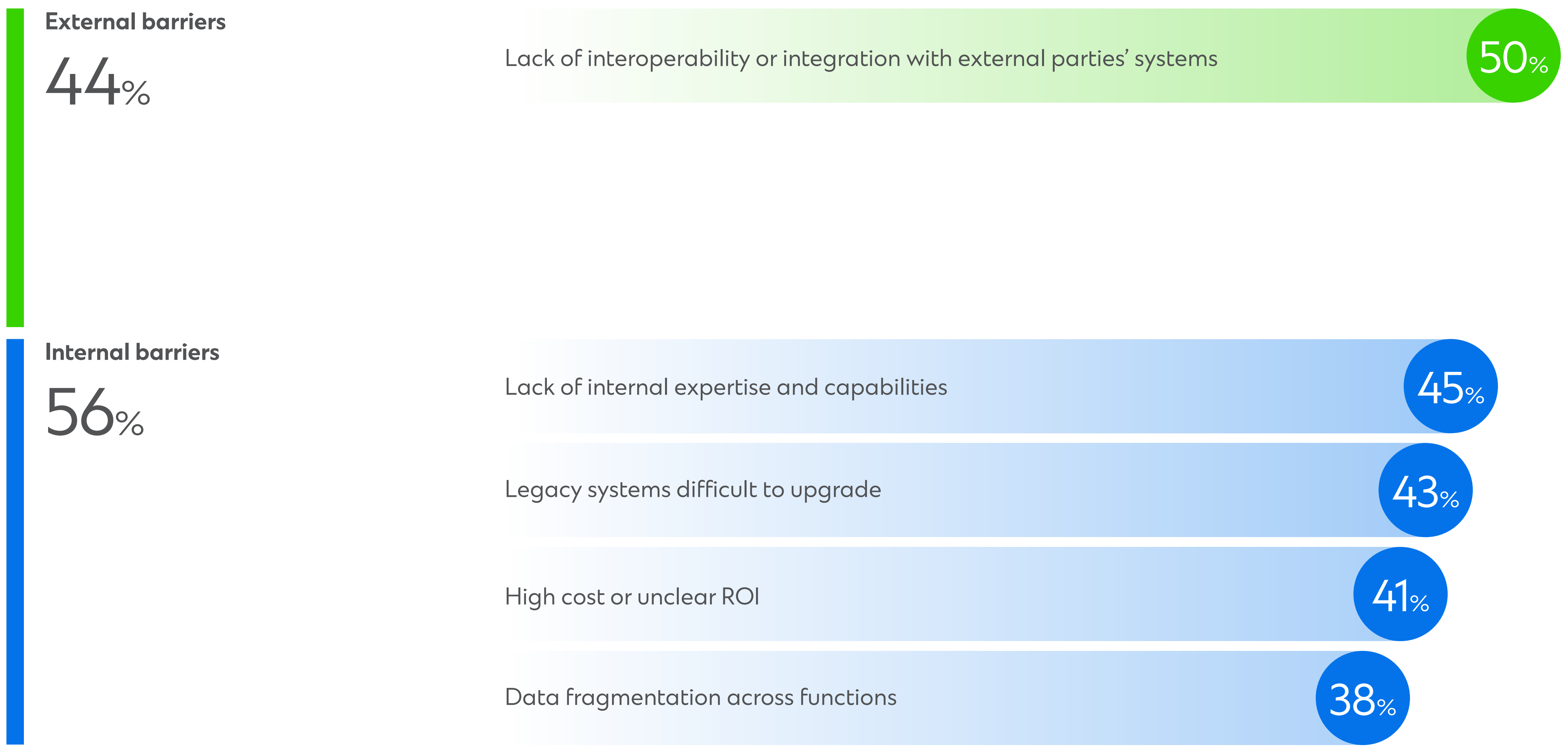
This capability gap also limits access to innovations such as deep-tier supply chain finance (DTSCF), which can extend financing to SMEs deeper within supply chains. For these solutions to scale, SMEs must first have the resources to generate, share, and verify digital business data. Building these digital foundations is essential for SMEs to fully participate in digital trade and financing ecosystems.

Internal barriers are more commonly cited

Share of all ranked responses that are mapped to:

Interoperability is the biggest barrier, followed by internal barriers

Share of corporates ranking issue among top three barriers to digitalisation for their organisation (%)



Key takeaways

Internal barriers are the first hurdle

More corporates cite internal barriers to digitalisation than constraints in the wider trading system.

Lack of internal capabilities and legacy systems are holding corporates back

Among internal barriers, a lack of internal capabilities and difficulty upgrading legacy systems are the most commonly cited.

Progress depends on partners and policy

Trade digitalisation depends on the wider ecosystem

Interoperability with external parties' systems is the most commonly cited barrier to trade digitalisation, and increasingly extends beyond corporates' own technology, data and capabilities. Even where they invest in digital tools, the benefits are limited if those systems cannot connect with suppliers, buyers, banks, logistics providers, platforms and public authorities. Scaling digital trade therefore depends on connectivity across the wider ecosystem, not just digital investment within individual businesses.

Partners can help corporates connect

Corporates recognise that they cannot solve interoperability alone. Some 83 per cent agree or strongly agree that third-party partners, including banks, digital intermediaries and logistics providers, can help accelerate trade digitalisation.

These partners can bridge fragmented systems by connecting corporates to platforms, expertise and financing. They can also support better coordination and data sharing across the trade process, helping businesses turn internal digital progress into practical improvements in trade efficiency, visibility and resilience.

Policy action remains essential

There are signs that some regulatory barriers are becoming less prominent as internal blockers grow in importance. The share of corporates citing regulatory barriers and compliance requirements has fallen since 2025, while fewer businesses identify a lack of common global digital standards as a leading obstacle.

But this progress does not remove the need for policy action. As digital trade models evolve, corporates still need clearer rules, trusted data-sharing frameworks and greater alignment between markets.

There is no single policy intervention that corporate leaders consistently identify globally as the priority. Instead, the bottlenecks vary by market. Businesses in Australia and the Pacific place greater emphasis on digital economy agreements, those in South Asia on cybersecurity and data protection, and those in the Middle East and Africa on regulatory sandboxes.

Disclosure rules show why policy design matters

25 per cent of corporates say enhanced accounting disclosure requirements have materially curtailed their use of supplier finance programmes, either slowing adoption, reducing participation or prompting exits. Part of that response may reflect transparency working as intended as clearer disclosure has made the scale and terms of these programmes visible, and some businesses have adjusted accordingly.

This shows why policy design matters. Requirements designed around the outcomes they intend to deliver can preserve gains without unintentionally limiting tools that support liquidity, resilience and SME participation in digital trade-finance ecosystems. Stronger public–private dialogue can help strike that balance.

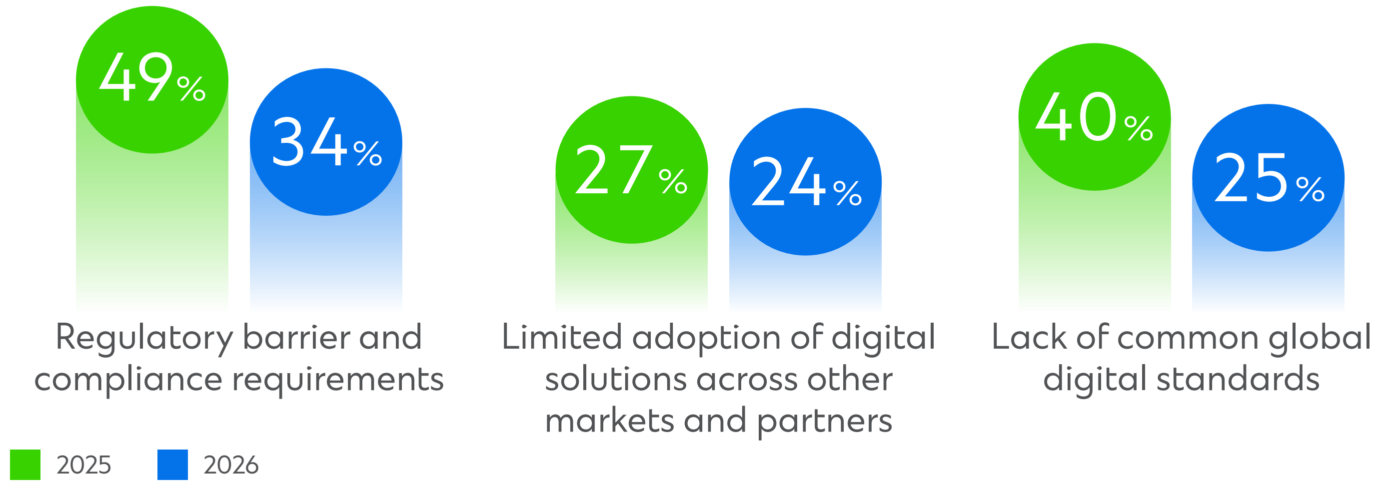
Corporates expect the biggest ecosystem gains in coordination and data sharing

"Third-party partners (e.g., banks, digital intermediaries) can help speed up and scale digitalisation efforts."

Share of corporates (%)

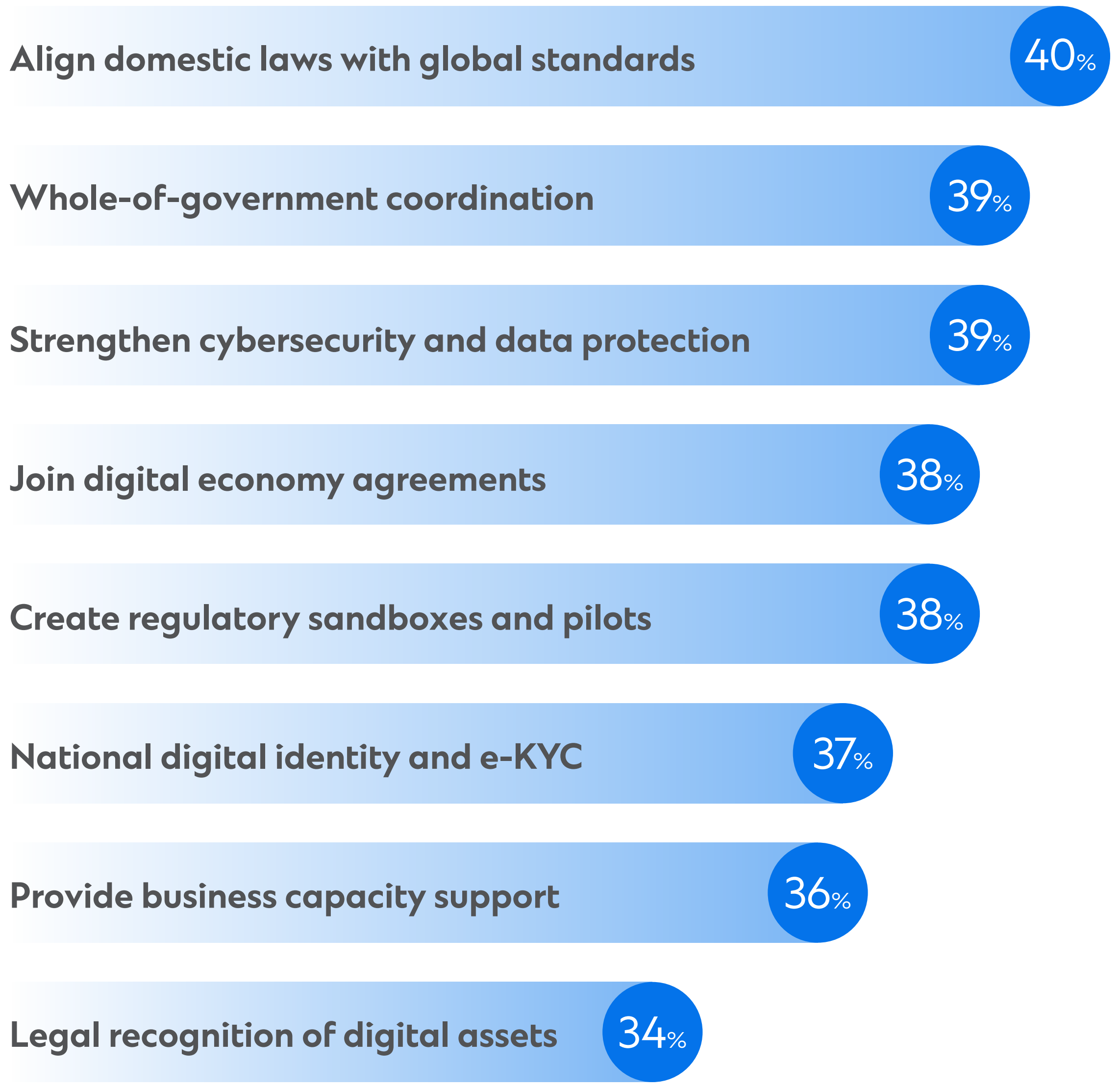
Progress does not mean governments should slow down

Share of corporates ranking issue among their top three barriers to digitalisation (%)



No single policy measure can unlock digital trade alone

Share of corporates ranking each form of government support among their top three most helpful for digitalisation (%)



Key takeaways

Interoperability is the biggest barrier
External-system interoperability is the most commonly cited obstacle to trade digitalisation.

Partners can help corporates connect
Some 83 per cent agree that banks, digital intermediaries and logistics providers can help speed up and scale digitalisation.

Policy design matters
Regulation must build transparency without limiting tools that support liquidity and supply-chain resilience.

Digital trade needs rules that work across borders

Digital trade agreements can build wider interoperability

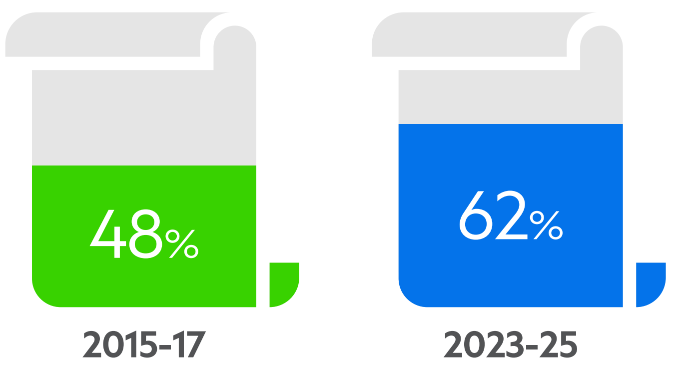
As geopolitical fragmentation makes multilateral coordination more difficult, bilateral and regional agreements offer a pragmatic route to greater interoperability – helping businesses operate digital systems more consistently across markets.

Digital trade agreements can establish compatible approaches across areas including cross-border data transfer, electronic documents and signatures, digital identity and cybersecurity. Oxford Economics' analysis of trade agreement data shows that the share of trade agreements containing dedicated digital provisions increased from 48 per cent in 2015–2017 to 62 per cent in 2023–2025.

Extending compatible provisions across agreements while committing to initiatives like the Data Free Flow with Trust (DFFT) to advance the secure cross-border flow of data can progressively connect national digital trade systems, even where comprehensive multilateral agreement remains difficult.

Digital provisions are increasingly embedded in trade agreements

Share of eligible aligned FTAs with dedicated chapter on digital trade/ e-commerce (%)



Data rules remain a particular constraint

Among corporates facing regulatory barriers, 49 per cent cite data protection and localisation requirements, making these the most commonly identified constraint. Inconsistent regulations and cybersecurity compliance burden follow, each cited by around 40 per cent.

Not all data carries the same sensitivity, requirements designed to protect personal and sensitive information often extend to the commercial and operational data on which trade depends.

Governments should therefore prioritise regulatory approaches that allow data to move securely across borders while maintaining appropriate safeguards. Greater compatibility between data-protection and cybersecurity frameworks, supported by common technical standards and mutual recognition, can reduce the friction corporates face when operating across multiple markets.

WTO analysis estimates that balanced, open-with-safeguards data regimes could increase the value of global exports by 3.6 per cent, with developing economies seeing the largest gains.

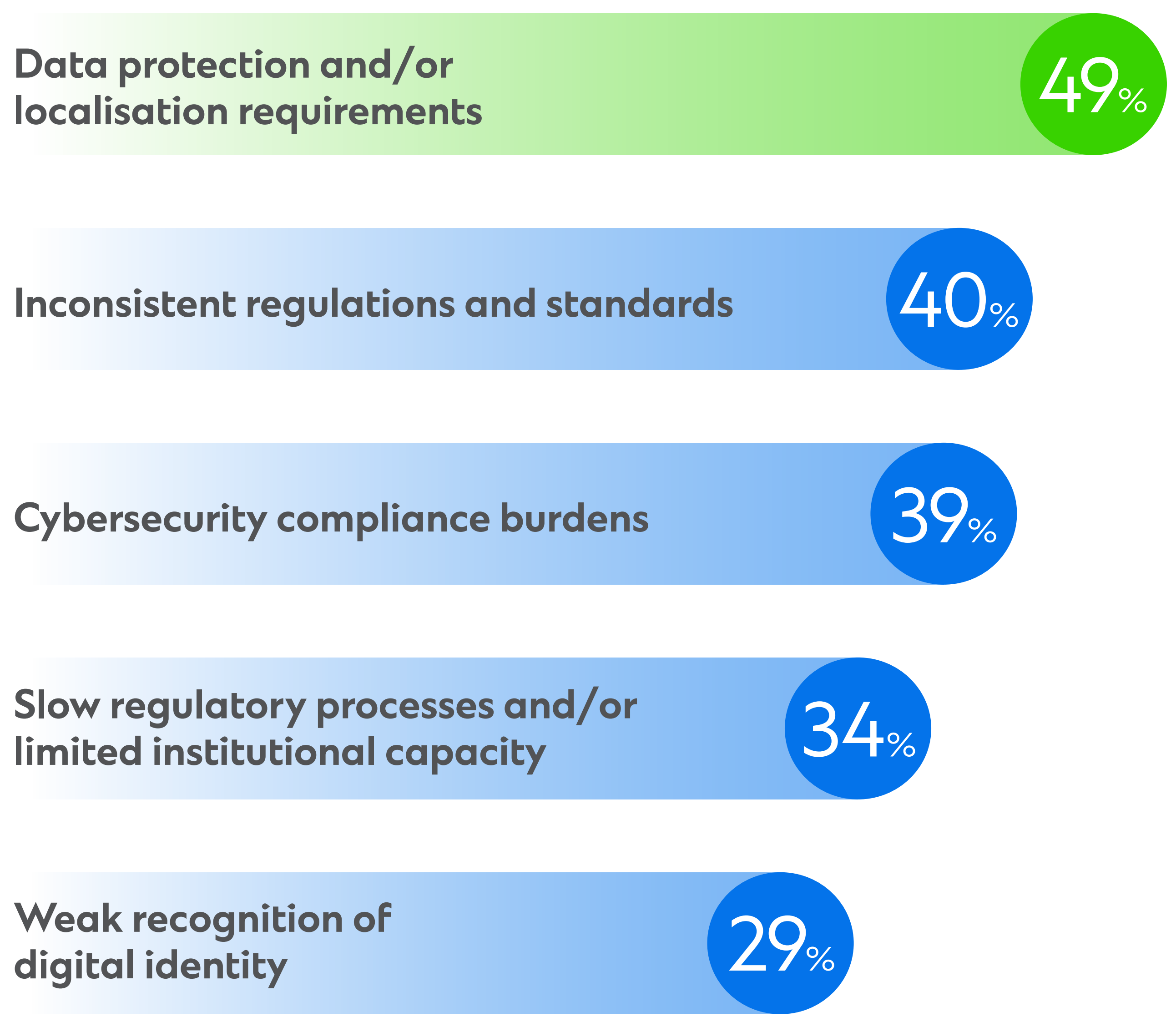
Coordination will determine how far digital trade can scale

Domestic digitalisation can only take businesses so far if the systems they use cannot connect across borders. Governments have a critical role in extending interoperability between markets – through compatible rules and standards, mutual recognition and continued bilateral, regional and multilateral cooperation.

For corporates, the opportunity starts with building the capabilities to digitalise. Capturing its full potential requires those capabilities to connect across trade ecosystems and ultimately across borders. The Digital Acceleration scenario demonstrates the prize available to countries that have the frameworks and infrastructure in place to unlock the benefits of trade digitalisation.

Data protection and localisation is the leading regulatory barrier

Share of corporates facing each regulatory barrier (%)



> **We have made great progress on the legal front. In 2023, only countries accounting for 34% of global exports were MLETR aligned or committed. Today, that number is around 62%.**
>
> Standards, trust, and identity still face blockages, which are preventing even organisations with massive resources from digitalising their end-to-end. Inside the company: very digital. Outside: very paper-based.
>
> Governments should commit to global practices and globally interoperability standards. Digital identity is a crucial part of this. These systems need to connect to a global infrastructure so that those identities can function across borders. It's the same reason passports are a standard size around the world. We need to work towards a model where countries can preserve their national identity systems, while ensuring those identities are also recognised and meaningful internationally.
>
> Banks also play a crucial role in this transition. They have the ability to move the market and influence market behaviour through the products and services they bundle for customers, as demonstrated by some leading institutions. Banks should take a forward-looking approach and consider how they can deliver benefits back to the market in ways that support growth, improve accessibility, and ultimately strengthen their relationships with clients.
>
> **Pamela Mar**
> Director of the Digital Standards Initiative (DSI), International Chamber of Commerce

Key takeaways

Data rules remain the leading regulatory barrier
Among corporates facing regulatory barriers, 49 per cent cite data protection and localisation requirements.

Digital trade needs cross-border coordination
Compatible rules, common standards and mutual recognition are needed for digital systems to work across markets.

Spotlight on key sectors

Our research explores sentiment towards the factors affecting global trade, corporate responses and trade digitalisation for the following sectors:

Consumer, retail, healthcare and professional services

Energy

Industrials and autos

Natural resources

Technology, media and telecoms

> **The forces reshaping global trade are not affecting every industry in the same way. Our research highlights how, amid uncertainty, businesses across sectors such as energy, natural resources, technology, industrials and consumer industries are adapting their supply chains and investment priorities to navigate a more complex environment.**
>
> What unites them is a growing recognition that digitalisation is no longer simply an efficiency play, but a competitive advantage. Cloud infrastructure, integrated data and digital trade platforms will help drive growth, enabling businesses to respond more quickly to changing market and customer needs.
>
> The sector perspectives that follow show where priorities converge, where they diverge and where the next opportunities are emerging.

Jan Metzger
Global Head Coverage Banking, Corporate & Investment Banking

Sectors' markets overview

Stand-out markets for sectors

Percentages show the net intention scores.

Europe

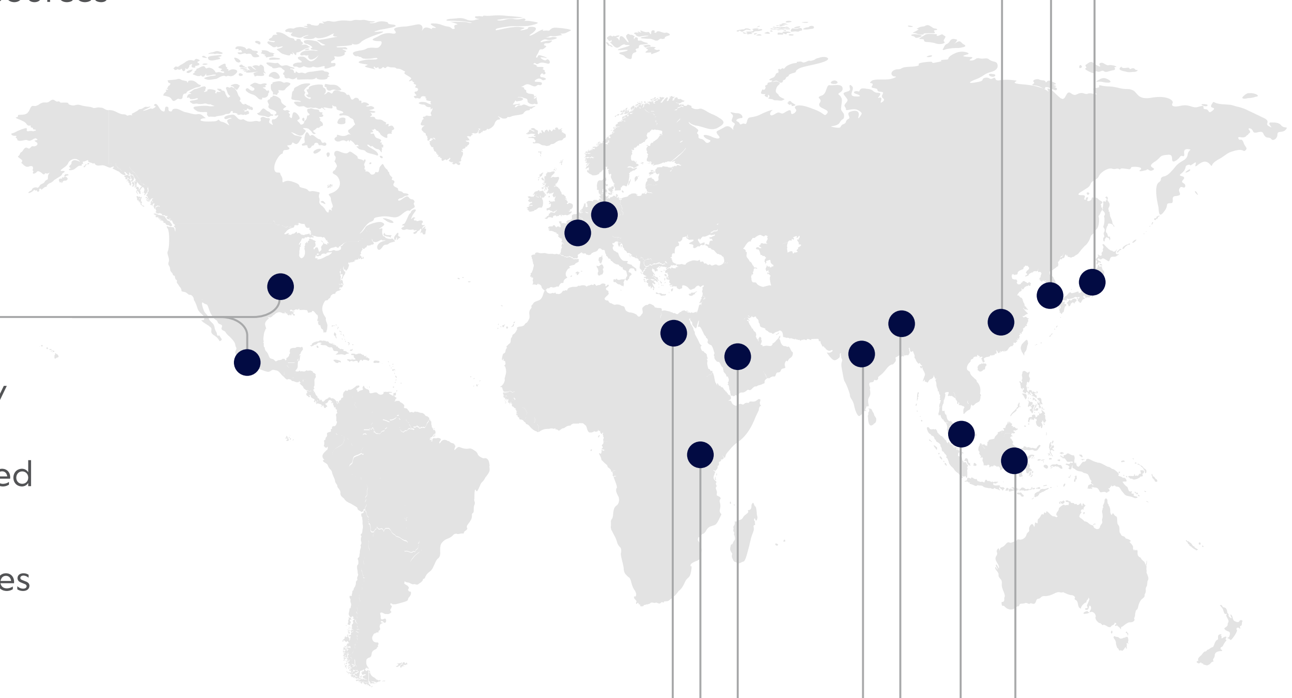
Germany attracts notable interest as a sourcing and export base for consumer-facing corporates (17 per cent each), a manufacturing location for industrials and autos (19 per cent), and export market for energy and natural resources corporates (17 per cent each).

France is listed as a prominent manufacturing location by energy corporates (16 per cent), backed by its accelerating energy transition.

Americas

The US ranks highly for sourcing plans by industrials and autos corporates (18 per cent), reflecting its leadership in advanced manufacturing and vehicle production.

Mexico is also placed highly by corporates in the same sector (16 per cent).



Middle East & Africa

The highest net intention scores for **Kenya** (12 per cent for sourcing and manufacturing) and **Egypt** (10 per cent for sourcing) come from corporates in industrials and autos, in line with investment activity in Africa's automotive sector and its links to regional supply chains.

Saudi Arabia is also identified by natural resources corporates as a sourcing market (10 per cent), supported by its vast energy reserves.

South Asia

India is deeply embedded in global supply chains across sectors. Sourcing interest is pronounced among consumer-facing industries and professional services (29 per cent) and energy (30 per cent) corporates.

The highest net intention scores for **Bangladesh** are for consumer-facing corporates, with sourcing intention (7 per cent) reflecting the country's role in the manufacturing supply chain, particularly in textiles.

Greater China & North Asia

Mainland China features prominently in TMT corporates' sourcing plans (25 per cent), consistent with its expanding role in high-end smart technology.

Japan is identified by energy corporates as a key manufacturing location (23 per cent), reflecting its industrial technology and heavy machinery capabilities. It is also cited by TMT corporates as an important export market (19 per cent).

South Korea features in corporates' manufacturing plans across energy (15 per cent), TMT (14 per cent), and natural resources (14 per cent), supported by its machinery and technology capabilities.

ASEAN

Indonesia is identified by TMT corporates as the top export market (21 per cent), supported by its growing digital economy. It also features strongly in natural resources corporates' sourcing plans (17 per cent).

Malaysia is cited as a prominent sourcing base for industrial and autos (18 per cent) and energy corporates (19 per cent), reflecting its abundant resource base, and established electronics and advanced manufacturing capabilities.

* Net intention scores are determined by subtracting corporates looking to decrease activity/exit, from those who are looking to add/increase/maintain activities with the target market. A total of 27 markets were examined in this analysis. The results reflect the views of the corporates in the survey sample and should not be treated as a measure of current or future trade flows.

Top markets for sourcing, manufacturing and exporting

India leads sourcing intention across all sectors in the survey, which reflects its deep industrial base as well as its well-established role in providing cross-border services.

Mainland China has the highest net intention scores in manufacturing/operations for natural resources, TMT and industrial and autos sectors. The country has unparalleled depth and breadth in its manufacturing capacity and has moved up the value chain in recent years for these sectors.

Corporate leaders in consumer-facing sectors, including professional services, rank Germany highly as a key export destination. Its large consumer market and strong European trade connectivity provide direct access to the wider region.

Corporates in TMT see Indonesia as a leading export destination. It boast one of the fastest growing digital economies in the region and has a growing and young mobile-first population.

	Sourcing	Manufacturing/operating	Exporting
Consumer, retail, healthcare and professional services	India 29%	India 22%	Germany 17%
Energy	India 30%	India 24%	Mainland China 20%
Industrial and autos	India 19%	Mainland China 20%	Mainland China/India 16%
Natural resources	India 24%	Mainland China 20%	India 19%
Technology, Media, and Telecoms (TMT)	India 27%	Mainland China 20%	Indonesia 21%

Net intention scores across sectors

* Net intention is determined by subtracting corporates looking to decrease activity/exit, from those who are looking to add/increase/maintain activities with the target market. A total of 27 markets were examined in this analysis. The results reflect the views of the corporates in the survey sample and should not be treated as a measure of current or future trade flows.

Consumer, retail, healthcare and professional services

Geopolitical conflicts and technology-driven disruption are front of mind for corporates in the consumer, retail, healthcare and professional services sector. Over 50 percent cite each of these drivers among the top issues shaping the future of trade, reflecting the sector's exposure to shifting consumer demand, disruption across supplier networks and growing risks around digital channels, payments and data.

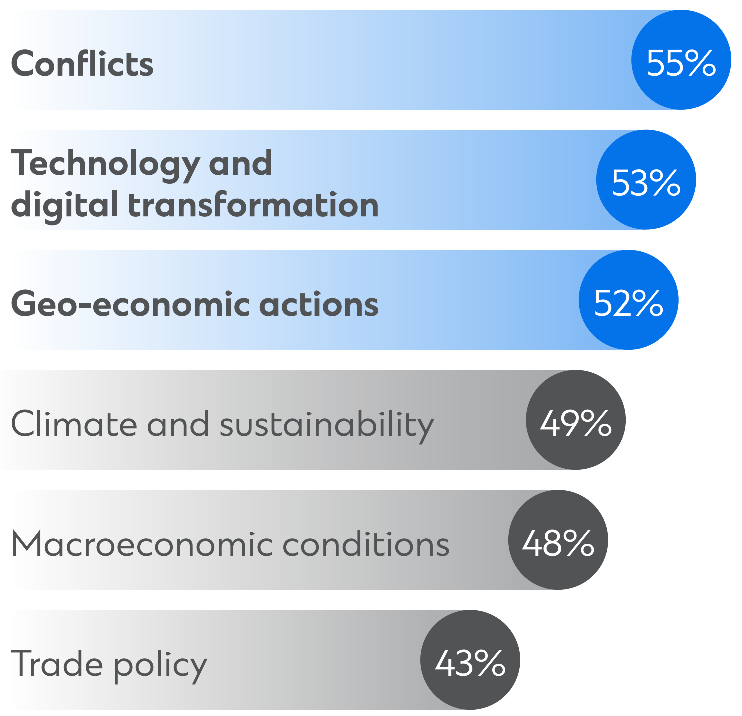
In response, corporate leaders are adjusting how they build resilience. Geographic reconfiguration strategies – including China+N, regionalisation and nearshoring or reshoring – are becoming less prominent, with their priority falling by 7.9 percentage points. Instead, corporates are placing greater emphasis on supplier-focused strategies, which have risen by 5.2 percentage points. This includes multi-sourcing, deeper strategic partnerships and building the internal capabilities needed to manage increasingly complex supply chains.

Digitalisation is also becoming central to the sector's operating model. Cybersecurity, automated payments and real-time visibility of cash positions show the highest levels of early or mature implementation, underlining the importance of secure transactions, reliable payment flows and stronger financial oversight.

Looking ahead, cloud infrastructure and data integration are viewed as the most transformative technologies, cited by 30 per cent of corporates, followed by digital trade platforms at 26 per cent. By improving data flows, enabling real-time visibility and supporting more automated production, fulfilment and service delivery, these technologies can help businesses respond more quickly to changing market conditions and customer needs.

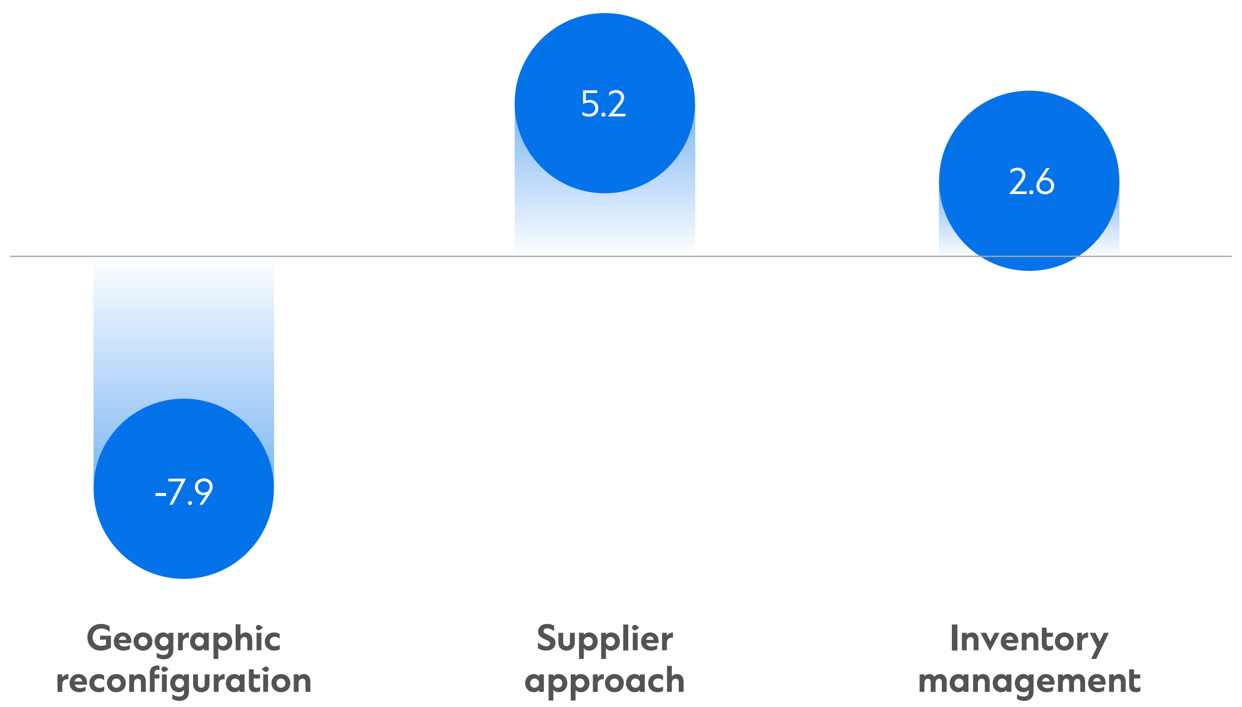
Top three issues that will shape the future of trade

Share of corporates ranking each issue among the top three drivers of trade (%)



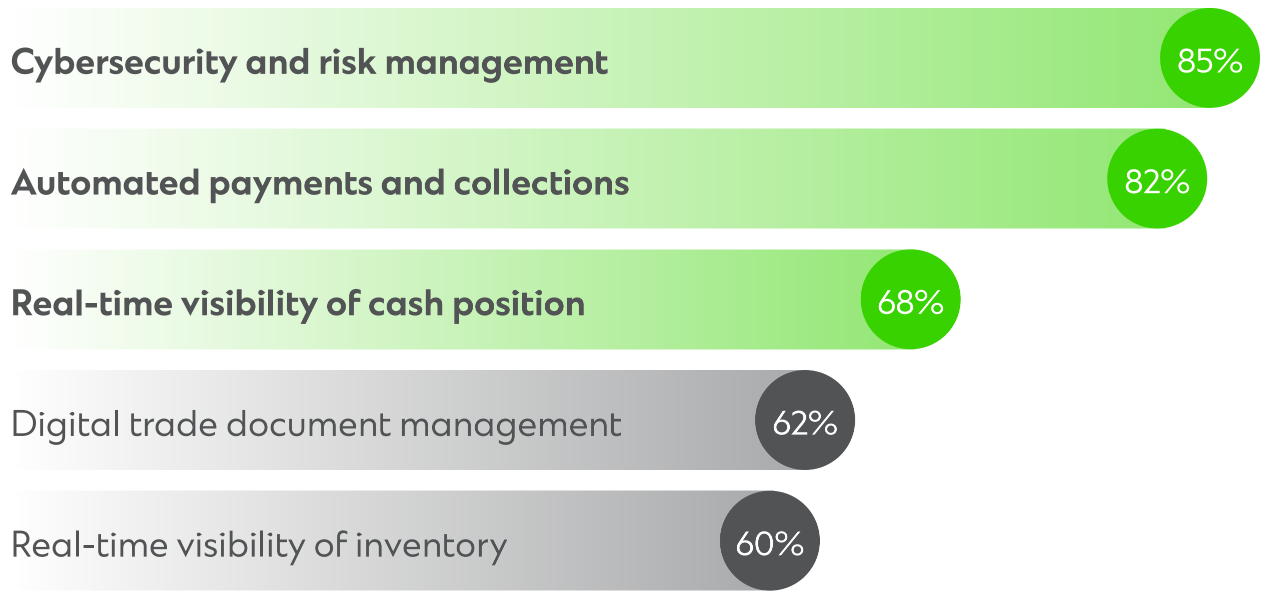
Supply chain priorities: past year versus next 3-5 years

Change in share of corporates ranking following actions as their top strategy, from past 12 months to next 3-5 years (percentage points)



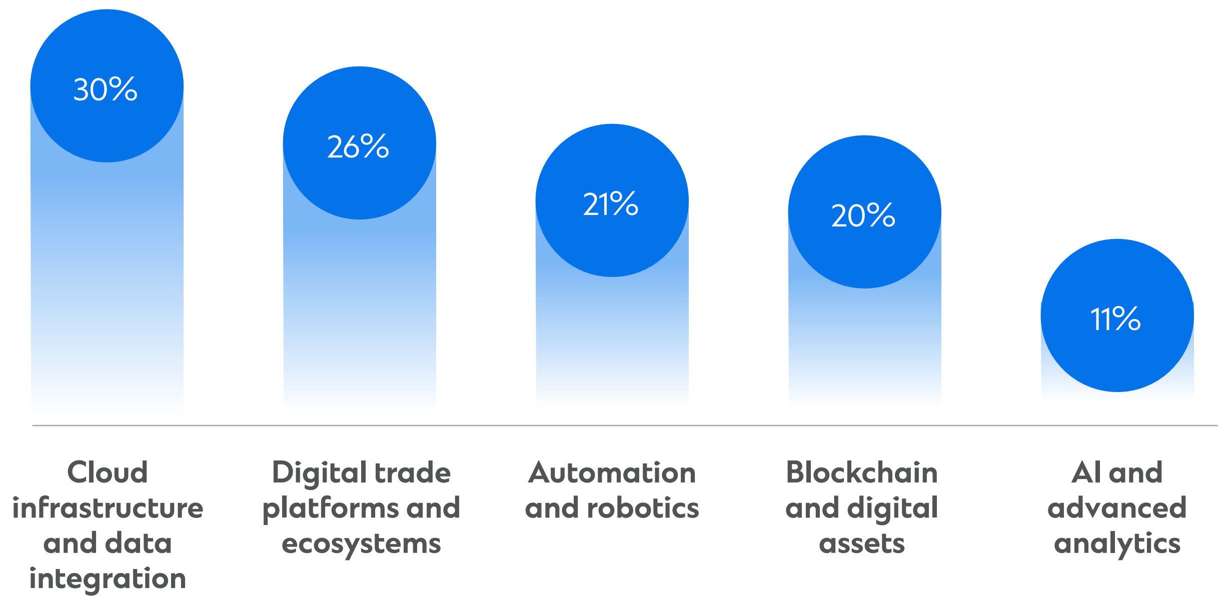
Top digital capabilities with early or mature implementation

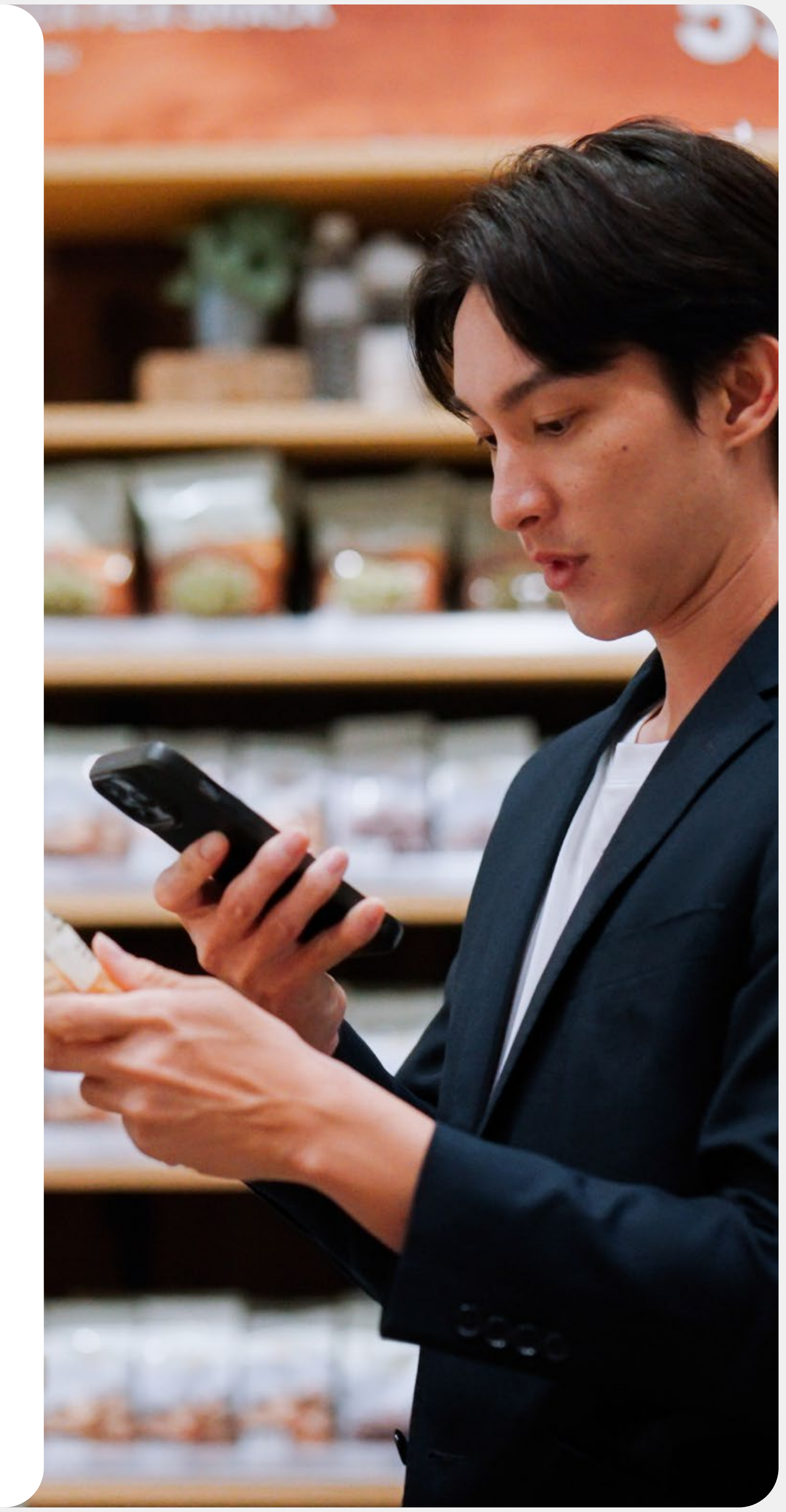
Share of corporates with early or mature implementation (%)



Top three technologies that are transformational to trade

Share of corporates identifying each technology as transformational (%)





Energy

Geopolitical conflict is the leading concern for energy businesses, closely followed by trade policy and geo-economic measures. These developments have heightened price volatility and increased input costs across supply chains. While oil and petroleum markets are the most immediate transmission channels, trade restrictions and policy shifts can also disrupt access to critical inputs for the energy transition, including solar panels, wind turbines and the minerals essential to their production.

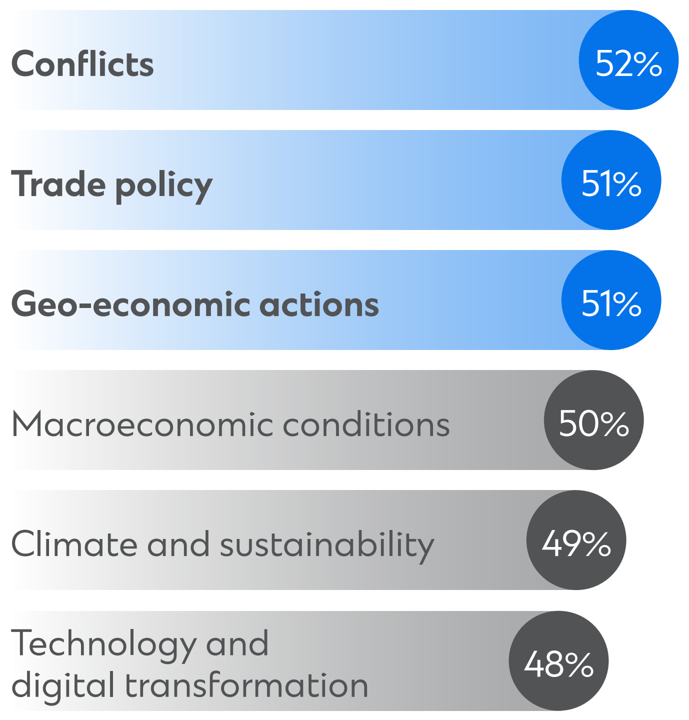
Corporates in the energy sector are moving away from a focus on geographic reconfiguration – including China+N strategies, regionalisation, nearshoring, reshoring – towards supplier approaches and notably inventory management, which has risen in priority by 4.5 percentage points. With no region fully insulated from supply disruptions or price shocks, maintaining strategic reserves and buffer stocks has become an increasingly important tool for managing operational and cost risks.

Across digital capabilities, the highest levels of early or mature implementation are concentrated in cybersecurity, automated payments and real-time visibility solutions. This points to a growing importance of effective risk management and timely access to information.

While cloud infrastructure and digital trade platforms are viewed as the most transformative technologies overall, businesses in this sector also recognise the potential of blockchain and digital assets. This may reflect the sector's exposure to commodity and foreign exchange volatility, where alternative payment mechanisms, faster settlement, and reduced counterparty risk can enhance the resilience and efficiency of cross-border energy transactions.

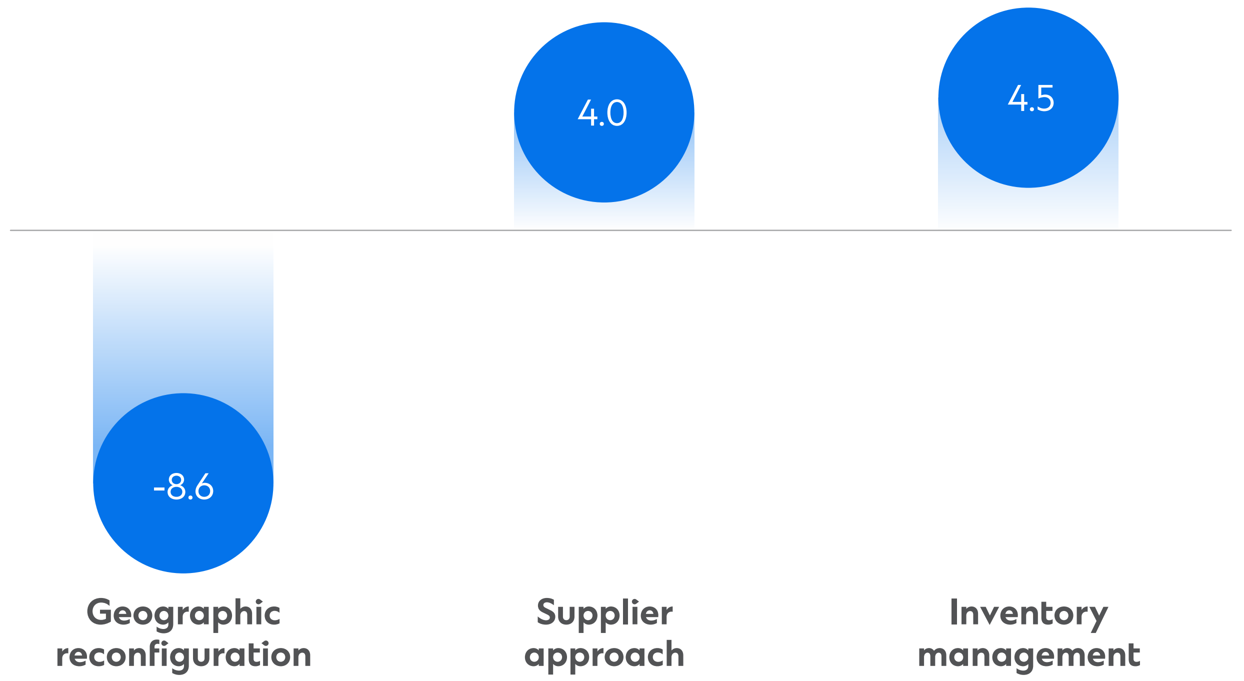
Top three issues that will shape the future of trade

Share of corporates ranking each issue among the top three drivers of trade (%)



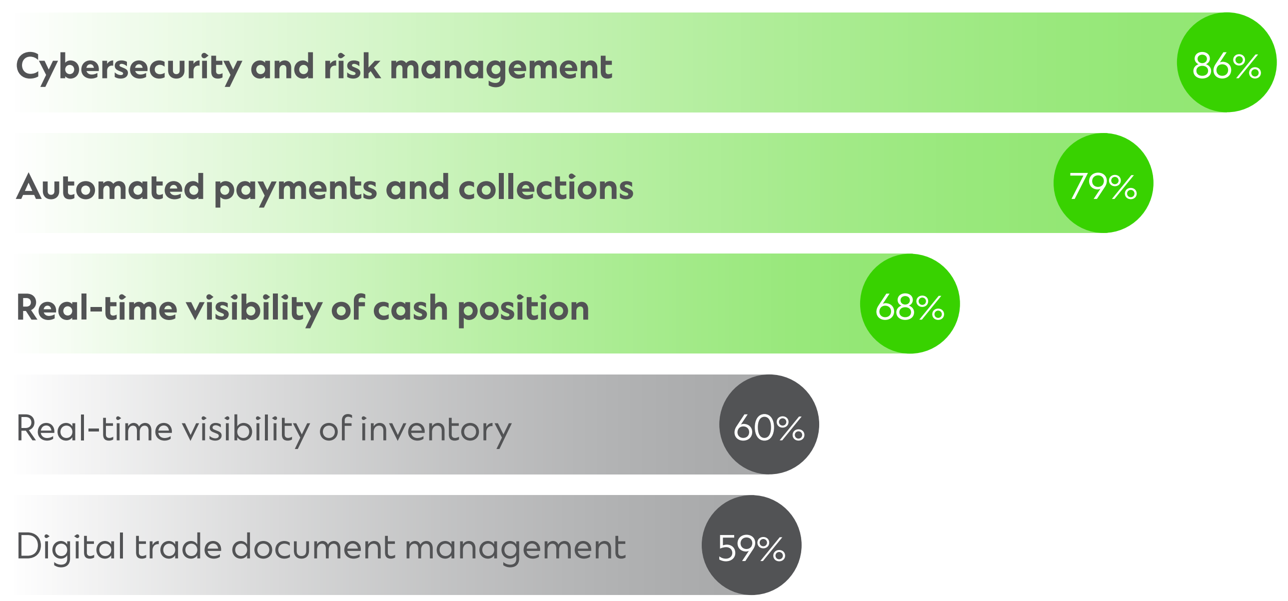
Supply chain priorities: past year versus next 3-5 years

Change in share of corporates ranking following actions as their top strategy, from past 12 months to next 3-5 years (percentage points)



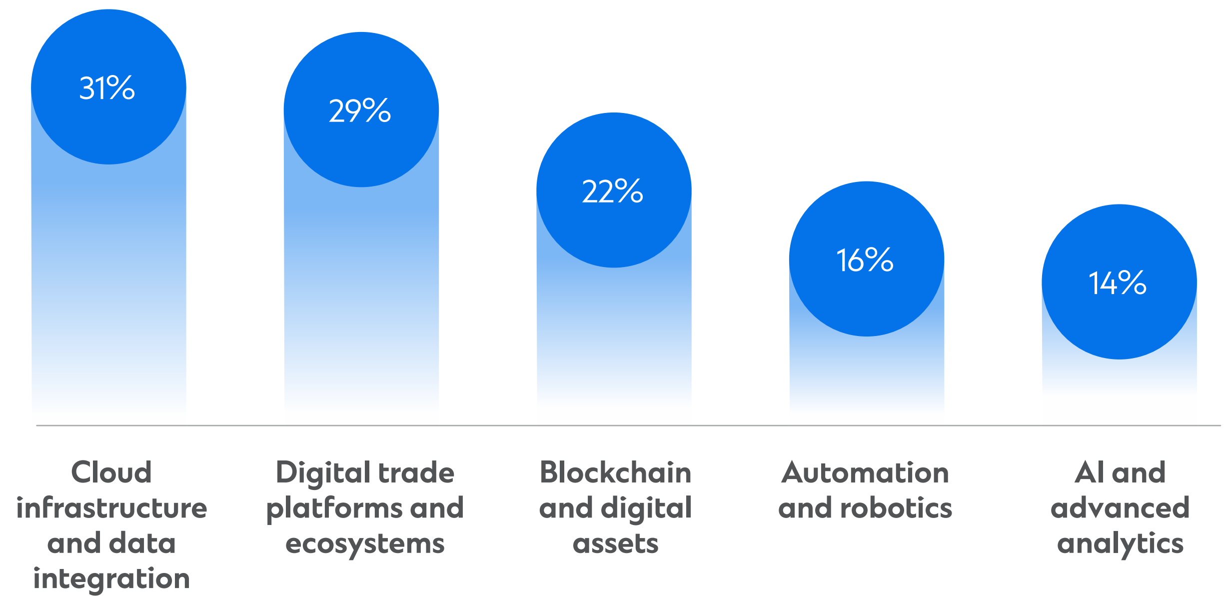
Top digital capabilities with early or mature implementation

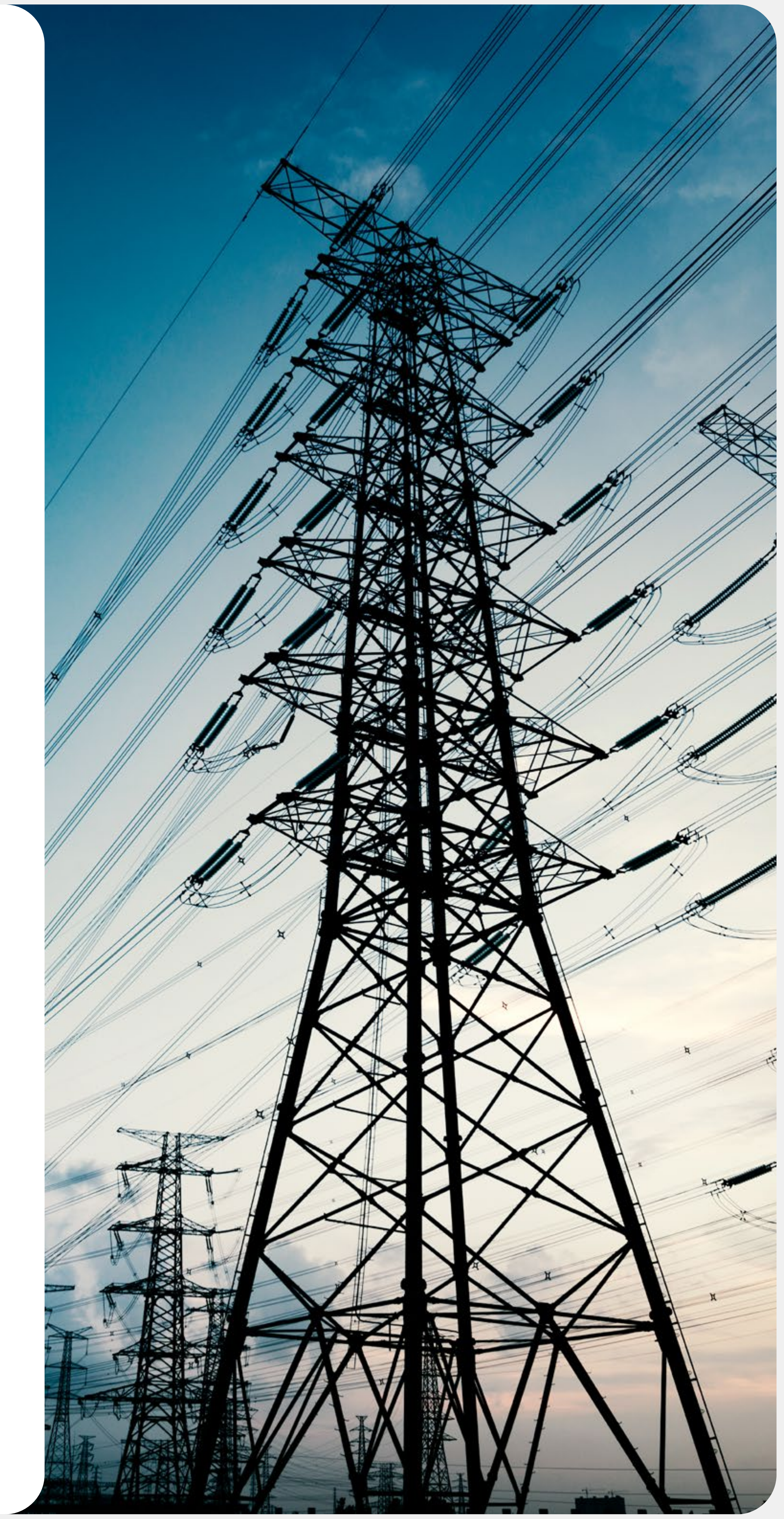
Share of corporates with early or mature implementation (%)



Top three technologies that are transformational to trade

Share of corporates identifying each technology as transformational (%)





Industrials and Autos

Trade policy uncertainty, geopolitical tensions, and geo-economic measures are key concerns for industrial and automotive corporates. The auto sector relies on complex, globally integrated supply chains and offshore manufacturing networks that are particularly vulnerable to changes in tariff regimes. Critical industrial inputs such as steel and aluminum have frequently been subject to both tariff and non-tariff measures, raising costs, creating operational uncertainty, and increasing the risk of disruption across production networks.

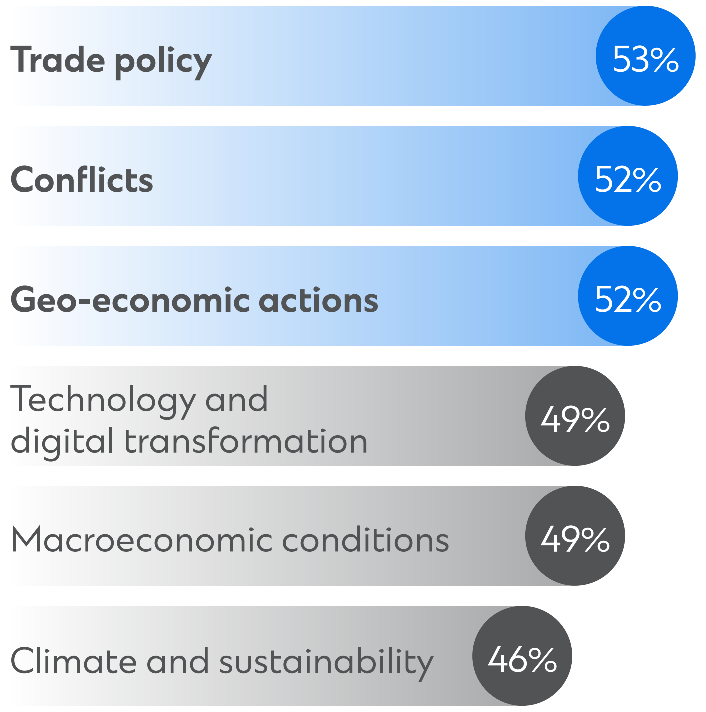
Supply chain strategies are evolving. The focus on geographic reconfiguration – including China+N strategies, regionalisation, nearshoring, reshoring – has fallen by 6.2 percentage points. Instead, businesses are increasingly prioritising supplier-centric measures such as multi-sourcing, deeper strategic partnerships, and the strengthening of in-house capabilities to build resilience and reduce concentration risk.

Cybersecurity, automated payments, and real-time visibility emerge as the most widely adopted capabilities, spanning both early-stage and mature implementation. Their prominence reflects growing recognition of the need for stronger risk management and real-time oversight of increasingly complex supply chains.

Corporate leaders view digital trade platforms and cloud infrastructure as the most transformative technologies, with interest in other solutions trailing behind. In this sector, industrial automation, smart manufacturing solutions and integrated data platforms are key drivers of digital transformation, helping improve efficiency, visibility and operational resilience.

Top three issues that will shape the future of trade

Share of corporates ranking each issue among the top three drivers of trade (%)

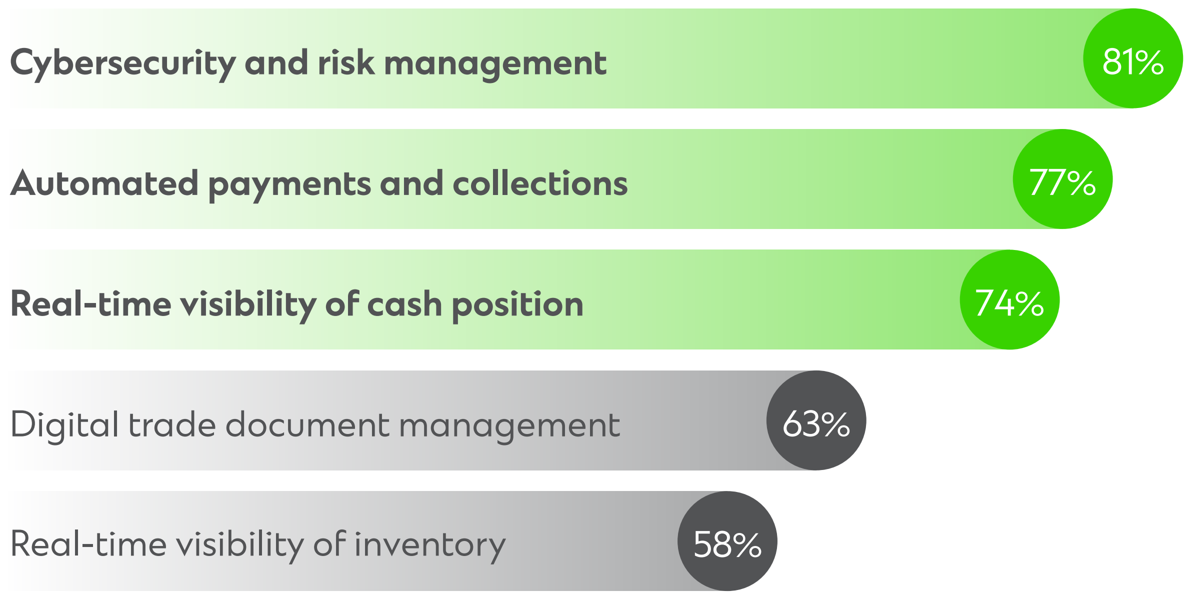


Supply chain priorities: past year versus next 3-5 years

Change in share of corporates ranking following actions as their top strategy, from past 12 months to next 3-5 years (percentage points)

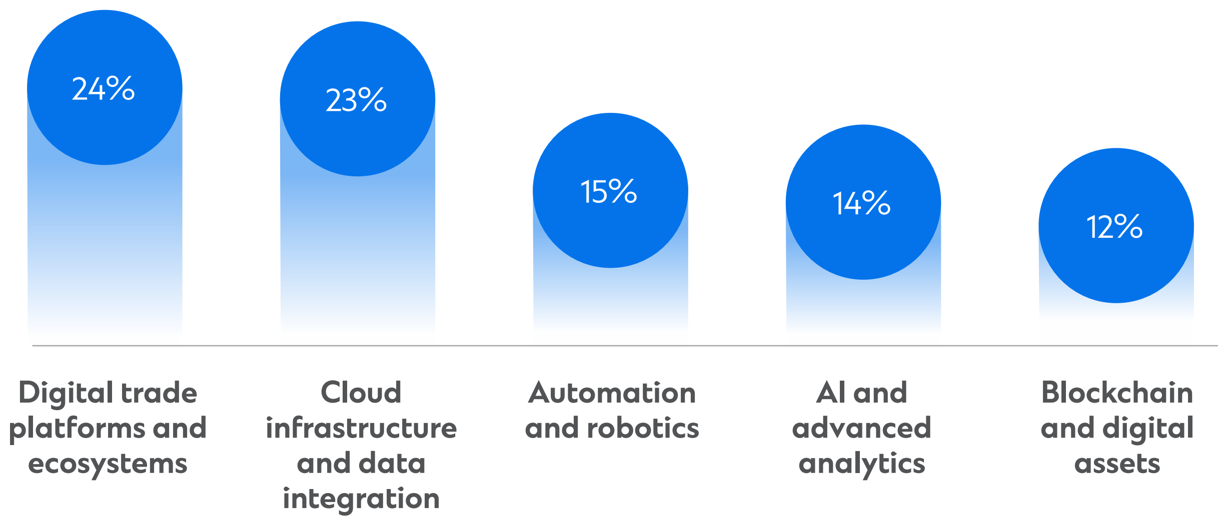
Top digital capabilities with early or mature implementation

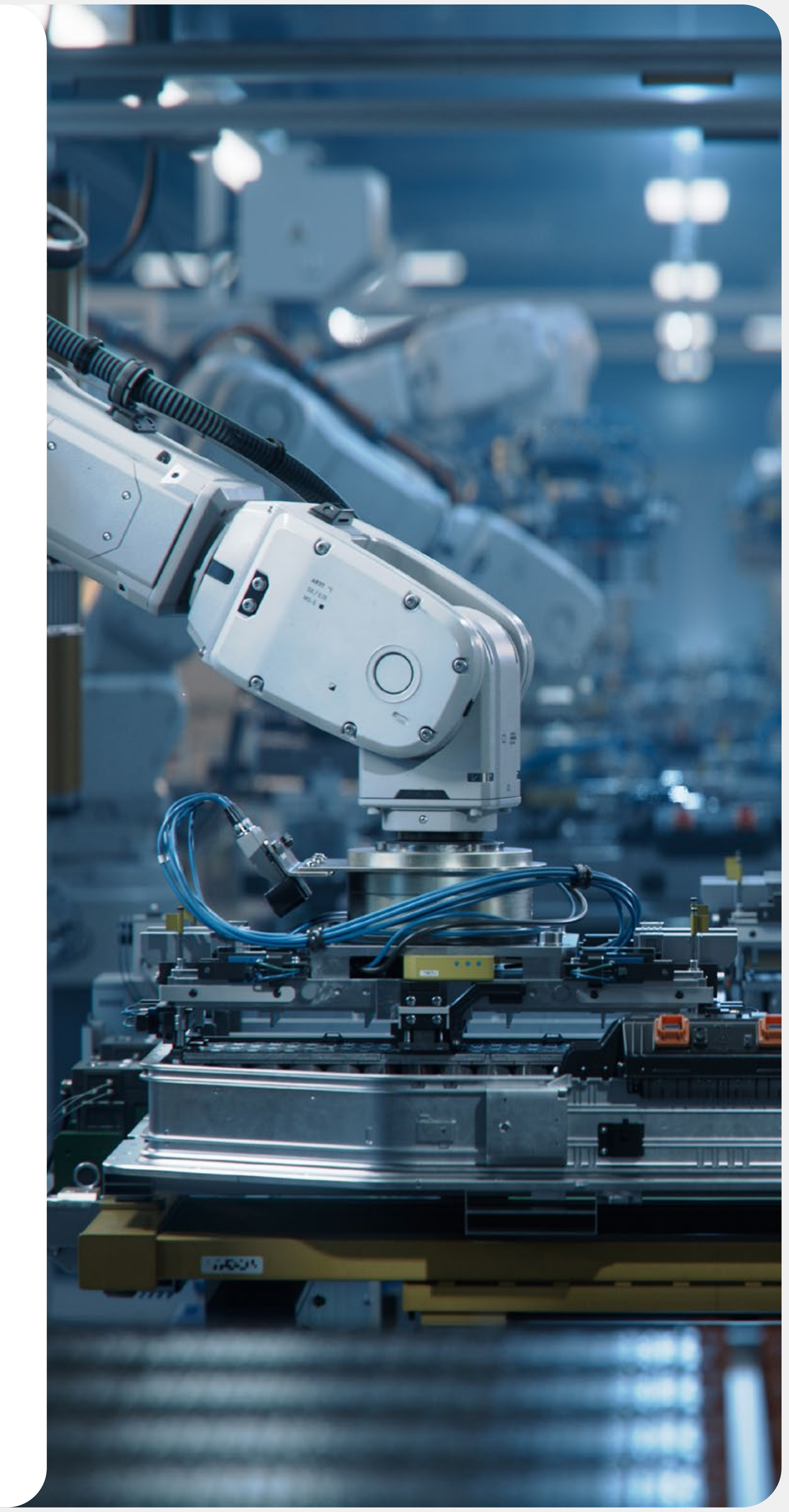
Share of corporates with early or mature implementation (%)



Top three technologies that are transformational to trade

Share of corporates identifying each technology as transformational (%)





Natural resources

Macroeconomic conditions are the sector's dominant trade concern, with 58 per cent of corporate leaders ranking them among the top three drivers of trade. Given the sector's exposure to commodity price cycles, long project timelines, and capital-intensive investment requirements, shifts in inflation, growth, and interest rates have an outsized impact on business performance and financing costs.

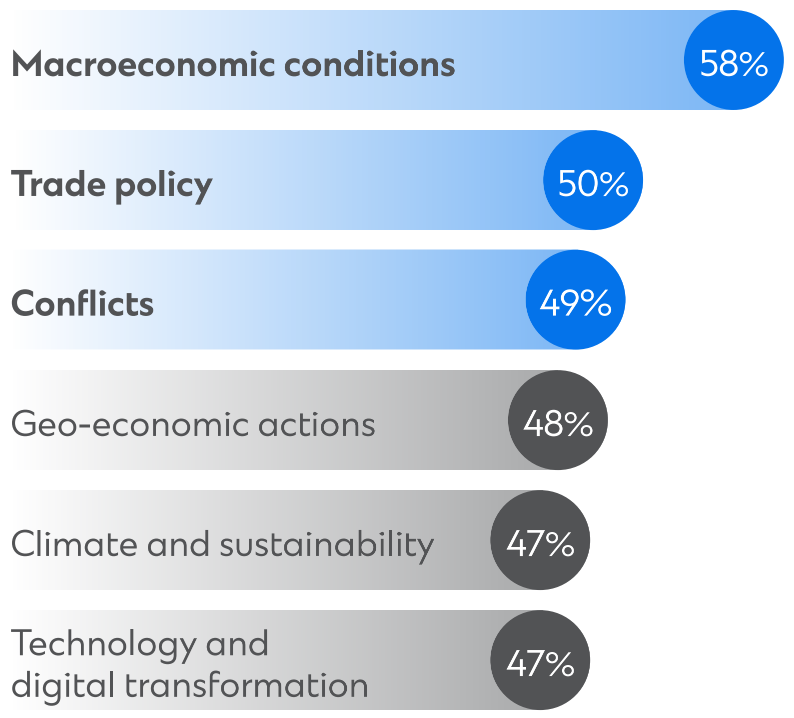
Strategic priorities in supply chain management are shifting. Geographic reconfiguration strategies – including China+N, regionalisation, and nearshoring or reshoring – have become less prominent, with their priority falling by 7.1 percentage points. In their place, supplier-centric strategies such as multi-sourcing, deeper strategic partnerships, and in-house capability building are gaining momentum, with their priority rising by 4.3 percentage points.

Cybersecurity, automated payments and real-time visibility are emerging as the cornerstones of the sector's digital transformation, with implementation levels (including both early and mature usage) outpacing all other digital capabilities. Their prominence highlights businesses' growing focus on risk mitigation, efficiency and end-to-end operational visibility.

Cloud infrastructure (29 per cent) and digital trade platforms (25 per cent) are expected to be the most transformative technologies in the next three to five years. By connecting data across mines, natural resource assets, processing facilities, logistics networks and trading operations, these technologies can improve operational efficiency for the sector.

Top three issues that will shape the future of trade

Share of corporates ranking each issue among the top three drivers of trade (%)

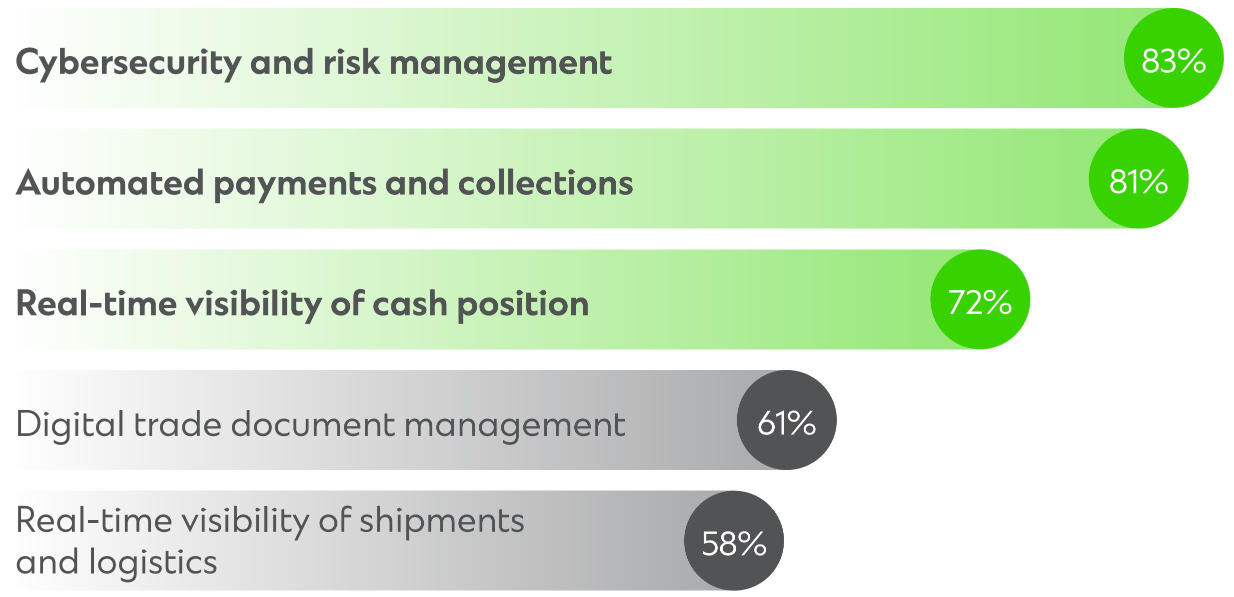


Supply chain priorities: past year versus next 3-5 years

Change in share of corporates ranking following actions as their top strategy, from past 12 months to next 3-5 years (percentage points)

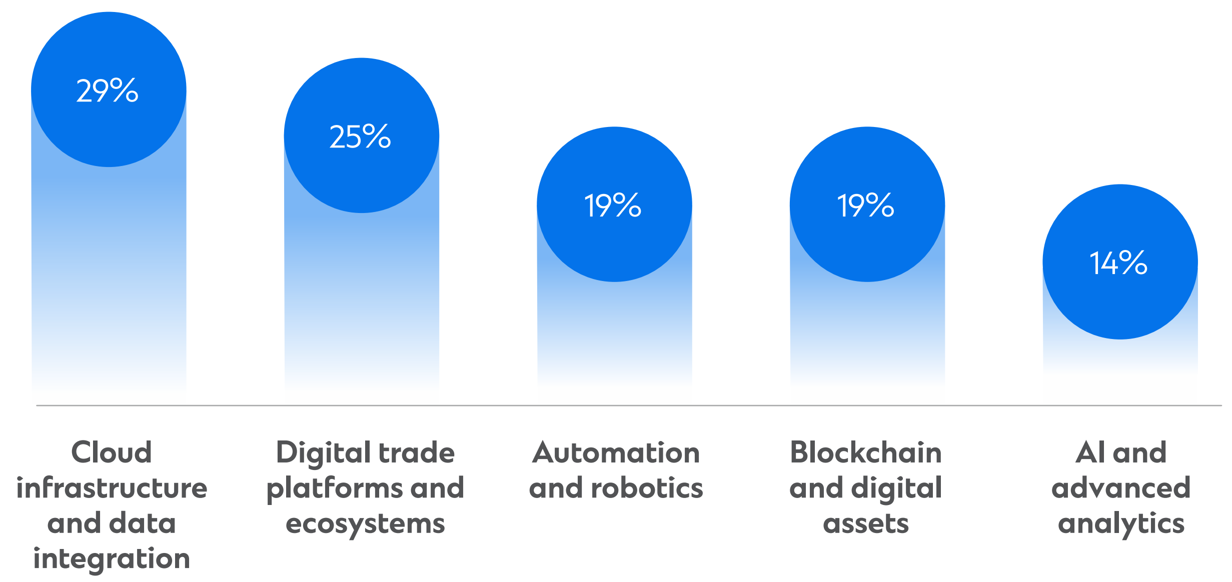
Top digital capabilities with early or mature implementation

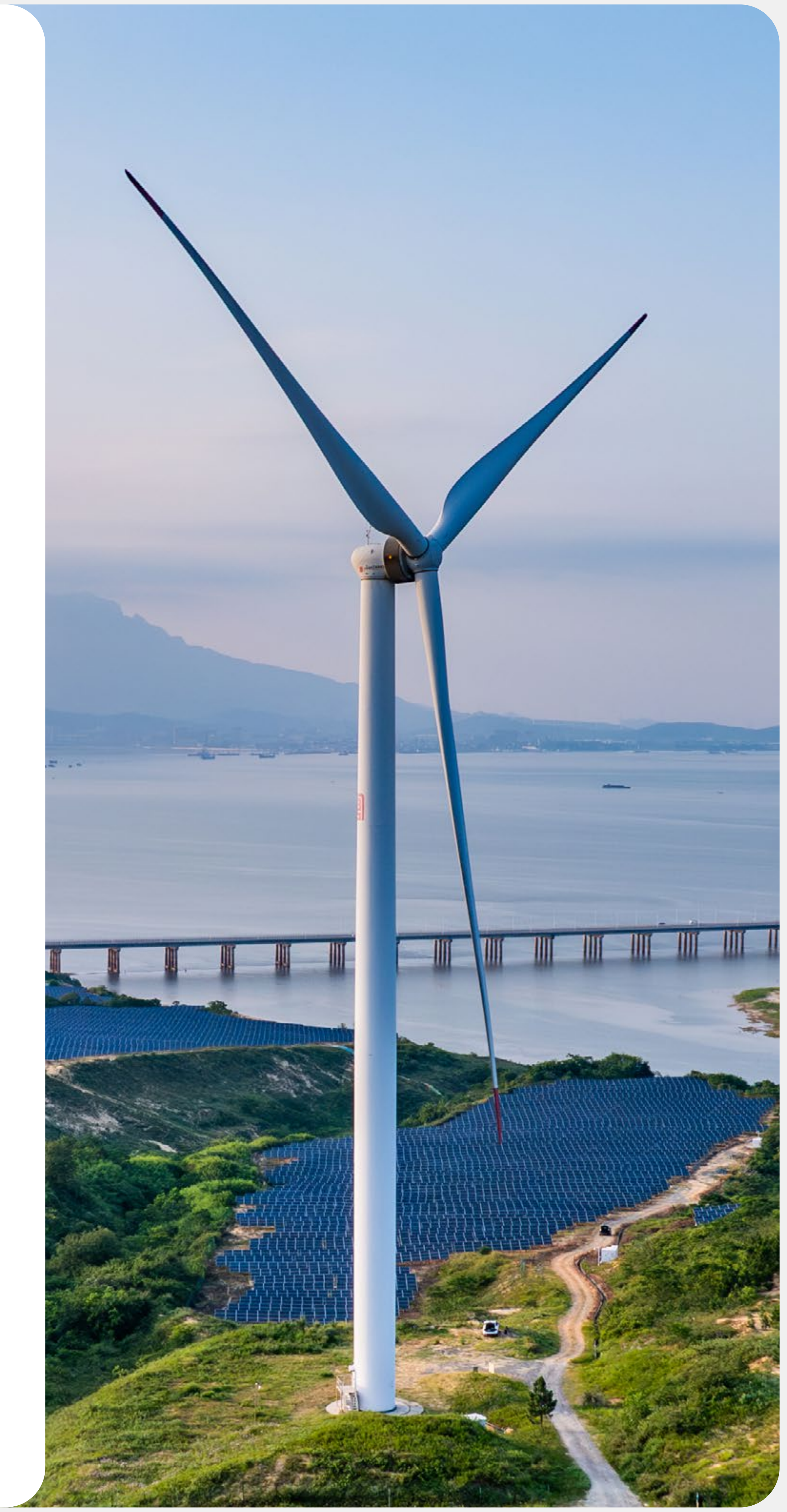
Share of corporates with early or mature implementation (%)



Top three technologies that are transformational to trade

Share of corporates identifying each technology as transformational (%)





Technology, Media, and Telecoms (TMT)

Trade policy, geo-economic actions, and digital transformation are top priorities for TMT corporates. The joint top ranking of trade policy and geo-economic actions reflects growing recognition that policy shifts are increasingly reshaping not only physical trade flows, but also digital ecosystems, data governance, and cross-border technology operations. At the same time, geopolitical conflicts rank lower among their concerns, as these tend to disrupt physical goods trade more directly than digitally delivered products and services.

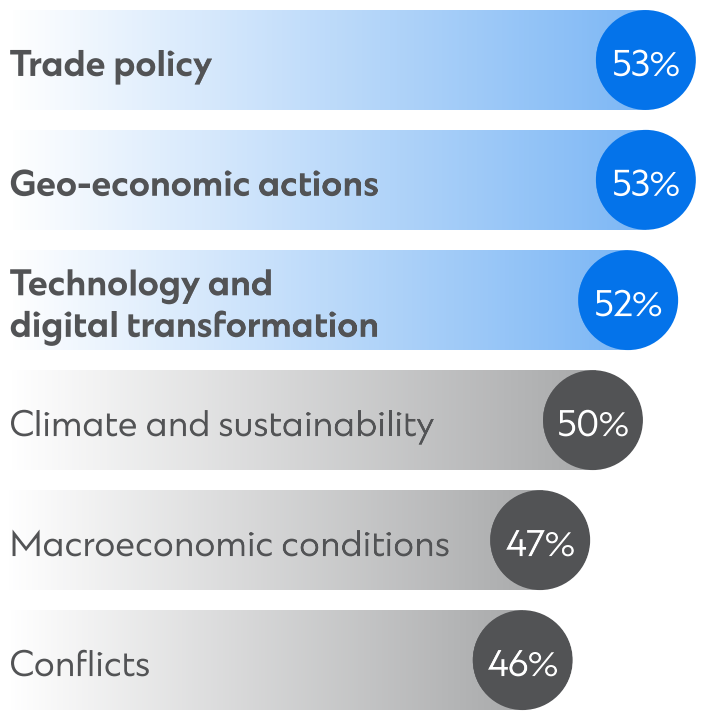
In response, supply chain priorities are also evolving. Corporate leaders are placing greater emphasis on strengthening supplier management strategies – including China+N, regionalisation, and nearshoring or reshoring – with their priority falling by 6.2 percentage points. Instead, there is a shift towards building supplier strategies and internal capabilities – priorities that have together risen by 4.5 percentage points – to anticipate, manage, and respond to disruptions more effectively.

Among digital capabilities, cybersecurity, automated payments and real-time visibility stand out as the most widely implemented, spanning both early-stage and mature adoption. Their prominence highlights the growing importance of risk control, operational efficiency and real-time insight.

The sector's proximity to technological innovation gives it a clearer view of how emerging technologies can shape future growth and competitiveness. TMT businesses are more optimistic about the impact of new technologies on global trade, displaying strong confidence in emerging technologies such as blockchain and digital assets, aside other technologies like cloud infrastructure and digital trade platforms.

Top three issues that will shape the future of trade

Share of corporates ranking each issue among the top three drivers of trade (%)

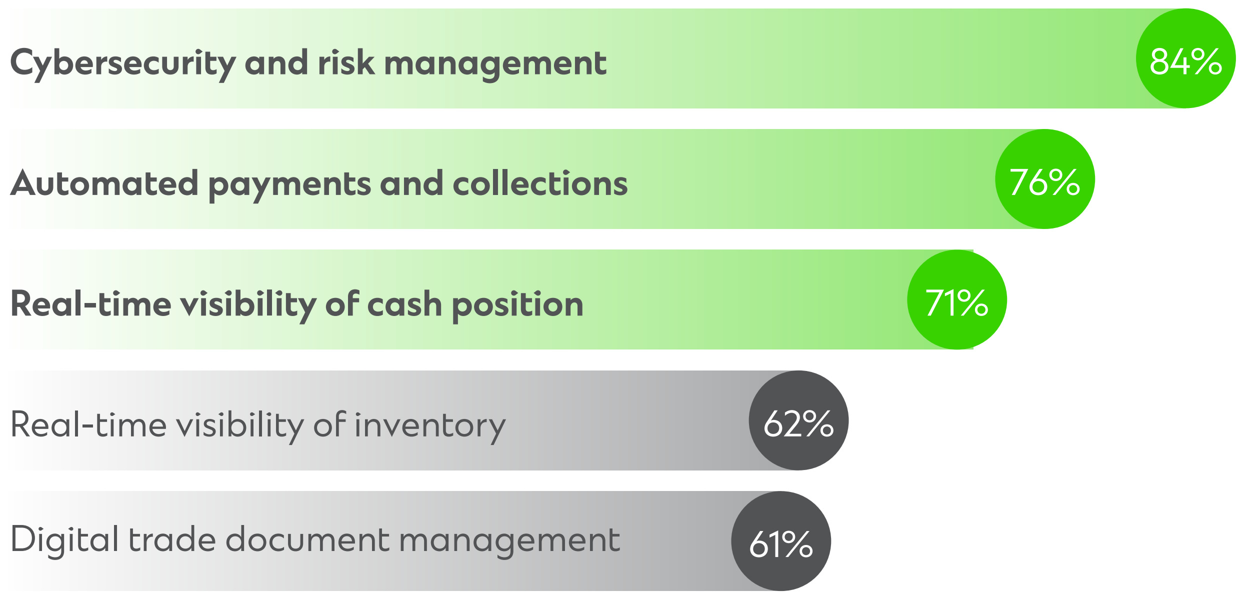


Supply chain priorities: past year versus next 3-5 years

Change in share of corporates ranking following actions as their top strategy, from past 12 months to next 3-5 years (percentage points)

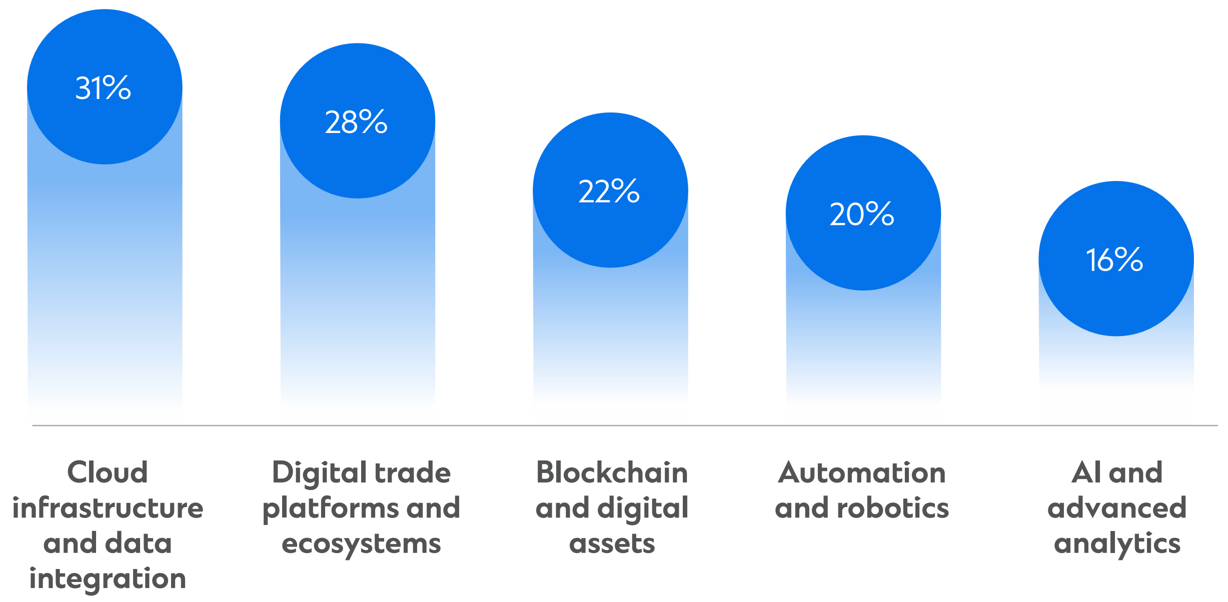
Top digital capabilities with early or mature implementation

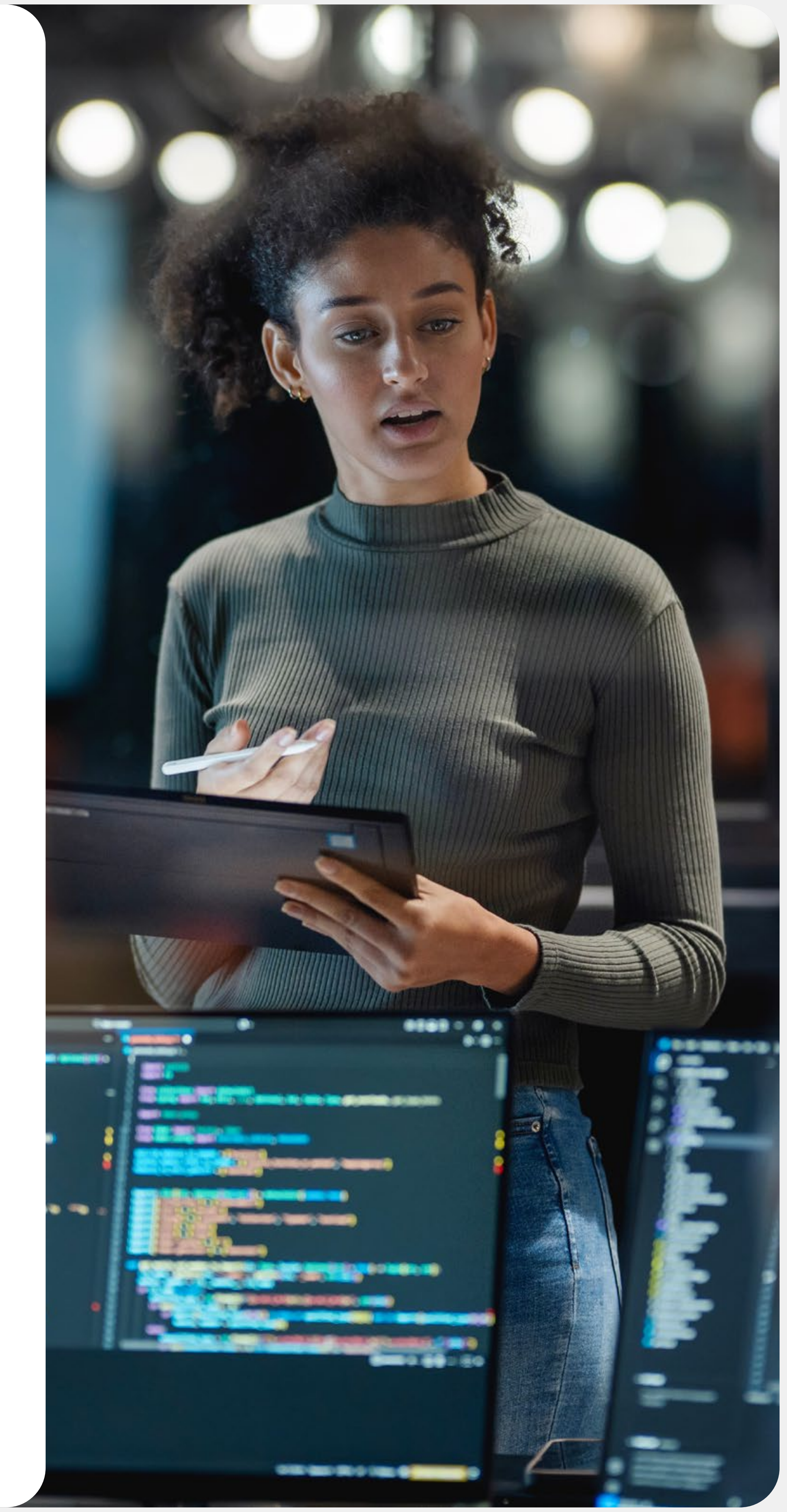
Share of corporates with early or mature implementation (%)



Top three technologies that are transformational to trade

Share of corporates identifying each technology as transformational (%)





About this research

Future of Trade 2026 combines the perspectives of senior corporate decision-makers with scenario analysis by Oxford Economics. Our 2026 global executive survey examines how businesses are responding to structural uncertainty and trade digitalisation. The modelling looks beyond individual corporates to explore how these forces could reshape economic activity, trade flows, costs and currencies through 2031.

The corporate perspective

We commissioned Oxford Economics to survey 2,100 C-suite executives and/or key trade finance decision-makers from multinational corporations (with annual revenue over USD250 million), across 27 markets and five major industry categories. Conducted between June and July 2026, the survey explored the pressures affecting global trade, the actions corporates are taking in response, and their priorities for the next three to five years.

Exploring alternative futures

With Oxford Economics, we developed two scenarios to examine the wider implications of the forces identified in the survey:

- Digital Acceleration explores the potential economic and trade effects of a faster reduction in the costs and frictions associated with cross-border trade.
- Geopolitical Fragmentation examines how more intensive geo-economic restrictions and geopolitical disruption could affect growth, trade corridors, production costs and currencies.

The scenarios are not forecasts. Each describes a plausible alternative to the baseline trajectory and traces how its effects could spread across economies, markets and bilateral trade relationships. Used alongside the survey, they connect the decisions businesses are making today with the possible consequences for the future trading environment.

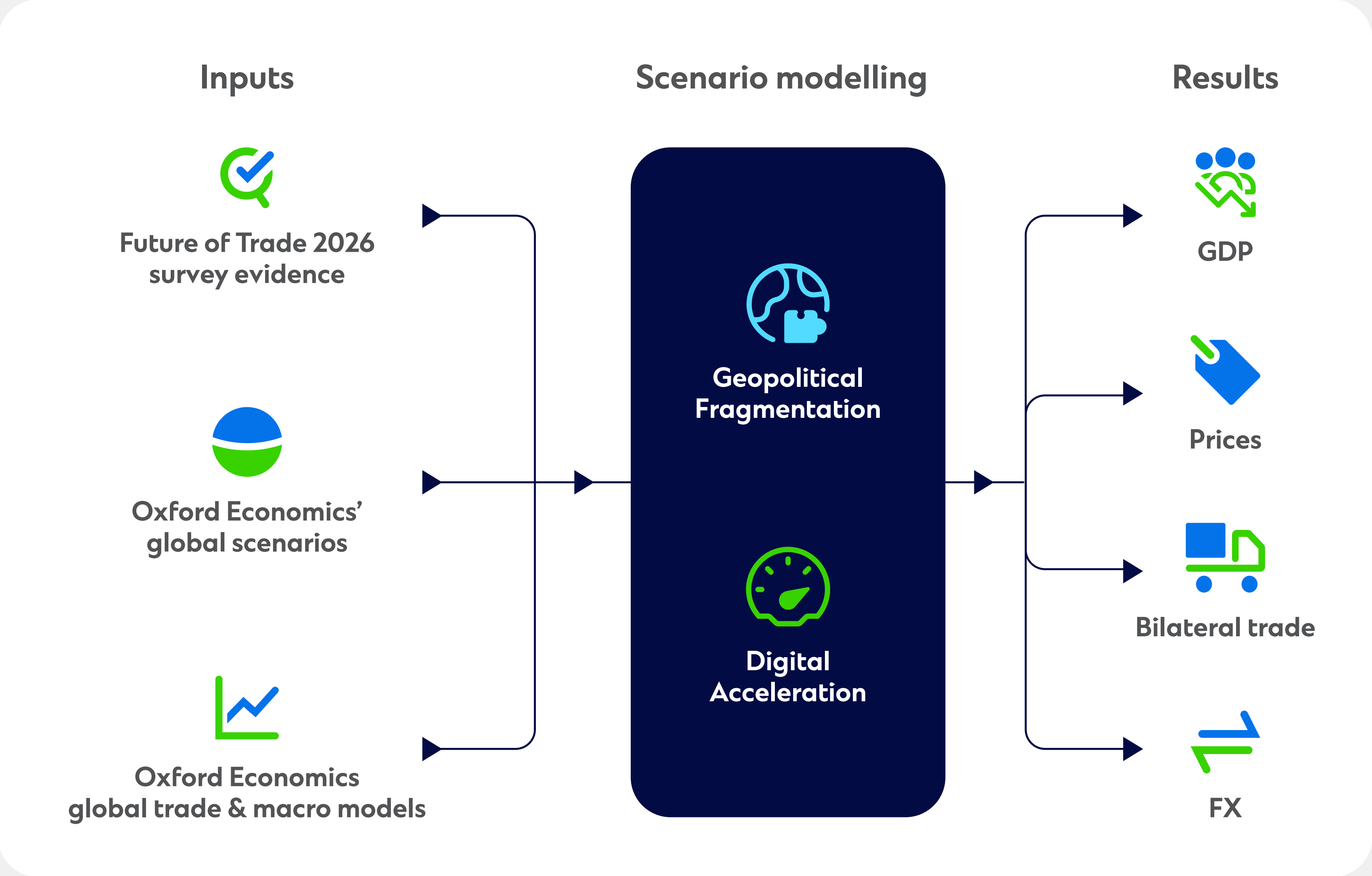
Modelling methodology

The scenario analysis assesses how faster trade digitalisation and greater geopolitical fragmentation could alter global trade patterns and macroeconomic outcomes through 2031. Each scenario is measured against Oxford Economics' August 2026 baseline, allowing the effects on trade, GDP, inflation, prices and exchange rates to be isolated from the central outlook.

The Digital Acceleration scenario converts survey evidence on adoption gaps and expected savings into reductions in cross-border trade costs. Oxford Economics combine country-level expectation with empirical findings from Bekkers et al. (2025) and bespoke structural-gravity econometric analysis to calibrate the size of the iceberg trade cost shock for each country pairs. To ensure that the shocks are realistic, their scale is benchmarked trade-cost measures from the WTO Trade Cost Database.

The Geopolitical Fragmentation scenario draws on Oxford Economics' proprietary Global Scenarios Service, including its Sustained Disruption scenario. It incorporates prolonged disruption to global energy markets through 2028, alongside greater trade barriers and constraints on cross-border flows of technology, knowledge, capital and skilled labour. These shocks raise costs and weaken investment, technology diffusion and productivity growth.

The modelling combines the Global Trade Analysis Project (GTAP) 12 database, with a base year of 2023, and Oxford Economics' Global Economic Model (GEM). GTAP translates changes in trade costs and policy barriers into sector- and corridor-level trade flows. These results are then incorporated into GEM to capture wider macroeconomic and financial feedbacks over a five year horizon.



Key sources

- Oxford Economics
- UNCTAD
- University of Lucerne
- World Trade Organisation

Disclaimer

This material has been prepared by one or more members of SC Group, where "SC Group" refers to Standard Chartered Bank and each of its holding companies, subsidiaries, related corporations, affiliates, representative and branch offices in any jurisdiction, and their respective directors, officers, employees and/or any persons connected with them. Standard Chartered Bank is authorised by the United Kingdom's Prudential Regulation Authority and regulated by the United Kingdom's Financial Conduct Authority and Prudential Regulation Authority.

This material has been produced for reference and information purposes only, is not independent research material, and does not constitute an invitation, recommendation or offer to subscribe for or purchase any of the products or services mentioned or to enter into any transaction. Some of the information herein may have been obtained from public sources and while SC Group believes such information to be reliable, SC Group has not independently verified the information. Information contained herein is subject to change at any time without notice. Any opinions or views of third parties expressed in this material are those of the third parties identified, and not of SC Group. While all reasonable care has been taken in preparing this material, SC Group makes no representation or warranty as to its accuracy or completeness, and no responsibility or liability is accepted for any errors of fact, omission or for any opinion expressed herein. The members of SC Group may not have the necessary licences to provide services or offer products in all markets, and/or such provision of services or offer of products may be subject to the regulatory requirements of each jurisdiction. Any comments on investment, accounting, legal, regulatory or tax matters contained in this material should not be relied on or used as a basis to ascertain the various results or implications arising from the matters contained herein, and you are advised to exercise your own independent judgement (with the advice of your investment, accounting, legal, regulatory, tax and other professional advisers as necessary) with respect to the risks and consequences of any matter contained herein. SC Group expressly disclaims any liability and responsibility whether arising in tort or contract or otherwise for any damage or losses you may suffer from your use of or reliance of the information contained herein.

You may wish to refer to the incorporation details of Standard Chartered PLC, Standard Chartered Bank and their subsidiaries at http://www.sc.com/en/incorporation-details.html.

This material is not for distribution to any person to which, or any jurisdiction in which, its distribution would be prohibited.