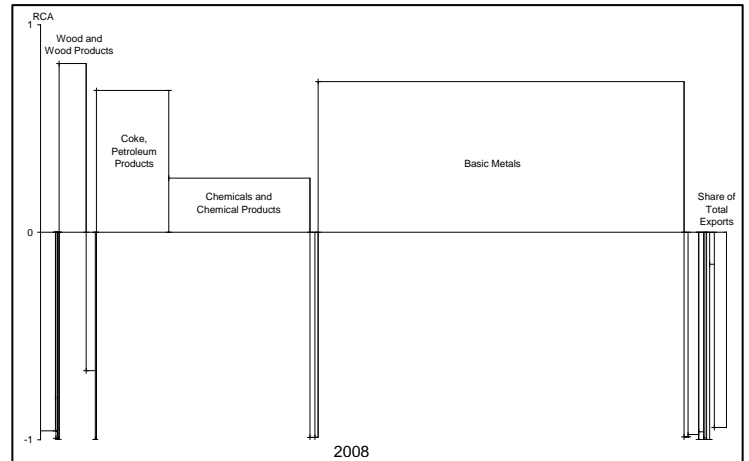
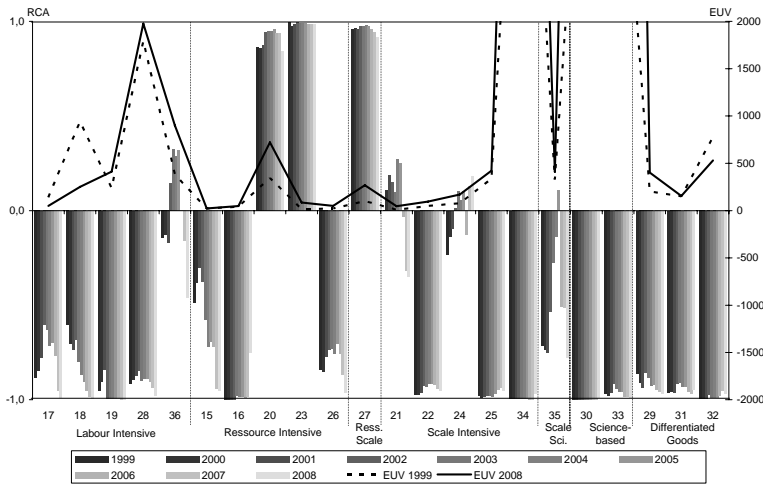




EIIW News

RCA Bulletin 2010

Russia



RCA Analysis:

Russia's export structure across the last ten years shows consistent positive comparative advantages only in the sectors of wood and wood products (20), coke and petroleum products (23) as well as the manufacture of basic metals (27).

While most other sectors show distinct disadvantages the manufacturing of pulp and paper (21) products and the manufacture of furniture and other non-classified products (36) lost their advantages in recent years.

The manufacturing of chemicals (24) shows a distinct upwards movements in recent years, which is also in line with the general growth of the chemicals sector as such. The sector is mostly dominated by the manufacture of basic chemicals.

EUV Analysis:

A remarkable aspect is that all sectors with distinct comparative advantages show a near duplication of EUVs which can also be interpreted as a significant rise in product quality levels.

This rise is also visible in metal products (28), automobiles (34) and science based industries (30, 33).

Vol RCA Analysis:

The figure above shows the sectoral RCAs of Russia in comparison to the share of total Russian exports. There are four major export sectors that also show reasonable high and significantly positive RCAs. Furthermore, no sector with a negative RCA features a large export share in 2008.

Combined, this leads to the conclusion that concerning trade with the European Union Russia is well specialized in its export structure and utilizes its exports efficiently.

Definition RCA:

(Revealed Comparative Advantage)

$$RCA_{c,j} = \text{tanh} \left(\ln \left(\frac{x_{c,j}}{\sum_{j=1}^n x_{c,j}} \right) - \ln \left(\frac{x_{i,j}}{\sum_{j=1}^n x_{i,j}} \right) \right)$$

Definition Vol RCA:

Volume Weighted RCA

$$\text{Vol RCA}_{c,j} = \frac{\text{Exports}_j}{\text{Total Exports}_c} RCA_{c,j}$$

Definition EUV:

(Export Unit Value)

$$EUV_{c,j} = \frac{x_{c,j} \text{ (in Euro)}}{x_{c,j} \text{ (in kg)}}$$