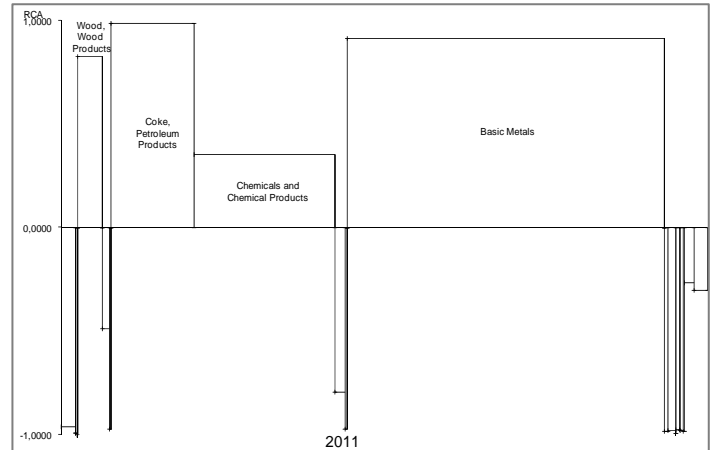
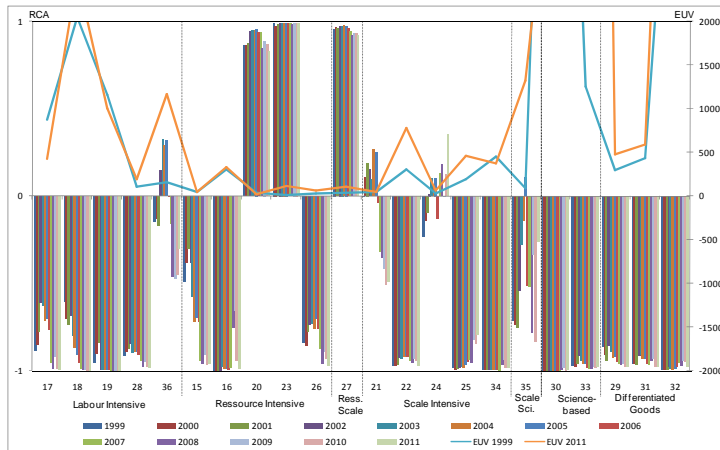




EIIW News RCA Bulletin 2011 Russia



RCA Analysis:

The Russian 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 manufacturing 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 significant rise of EUV levels which can be interpreted as a rise in product quality levels.

This rise is especially visible in the furniture and manufacturing n.e.c sector (36) and the publishing and printing sector (22) as well as to a lesser degree in metal products (28), automotives (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 only four major export sectors that also report high and significantly positive RCAs. Furthermore, no sector with a negative RCA features a large export share in 2011.

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

Definition RCA:

(Revealed Comparative Advantage / country c, sector s)

$$RCA_{c,s} = \text{tanhyp} \left(\ln \left(\frac{\text{Exports}_{c,s}}{\sum_{s=1}^n \text{Exports}_{c,s}} \right) - \ln \left(\frac{\text{Exports}_{Ref,s}}{\sum_{s=1}^n \text{Exports}_{Ref,s}} \right) \right)$$

Definition Vol RCA:

(Volume Weighted RCA)

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

Definition EUV:

(Export Unit Value)

$$EUV_{c,s} = \frac{\text{Exports}_{c,s} \text{ (in Euro)}}{\text{Exports}_{c,s} \text{ (in kg)}}$$