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FEATURES OF FOREIGN TRADE IN GOODS AND SERVICES IN UKRAINE

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Ukraine's foreign trade in goods is the activity of participants in economic relations between Ukraine and other countries, the purpose of which is to purchase and sell goods outside Ukraine or on its territory.

The leading role in setting the price on the world market is played by aggregate services provided by producers and sales of a certain product to the importer or end consumer. These services are related to the promotion, sale and use of goods (Hrechyshkina & Samakhavets, 2018; Liubkina et al., 2019). This is especially true in today's world, when high technology is becoming widely used. With the development of science and technology, the price increases for almost all goods, as labor costs are reduced, production efficiency and productivity increase. When analyzing prices, it is important to pay attention to the movement of the economic cycle, which has certain features in the field of international economic relations. In the stage of depression, prices do not rise. At the stage of growth, on the contrary, prices rise because demand exceeds supply (Lyulyov, O. V., & Pimonenko, 2017; Bublyk et al., 2017; Kendiukhov & Tvaronaviciene, 2017; Mujtaba et al., 2019).

Exports of goods in 2019 compared to 2018 increased by 5.7% (by 2.7 billion dollars) and amounted to 50.1 billion dollars. Imports of goods decreased by 3.4% (by 0.5 billion dollars). In 2019, Ukraine exported the most products of plant origin, base metals, machinery, equipment and mechanisms, electrical equipment (Державна, 2021). With regard to imports, the largest volumes were in mineral products, chemical products, machinery, equipment, machinery and electrical equipment (Kandel & Acharya, 2018; Khan & Hossain, 2018; Vargas-Hernández et al., 2018; Rakotoarisoa, 2019). Among the main trading partners of Ukraine in exports of goods in 2019 are the following countries: the EU – 41.5% of total exports, China – 7.2, the Russian Federation – 6.5%, Turkey – 5.2%, India – 4%, Egypt – 4, 5%, Belarus – 3.1% and others (World, 2021; International Trade, 2020).

Traditionally, the main groups of Ukrainian exports were the products of agro-industrial complex and food industry – 37.6%, metallurgical complex - 26.8%, mechanical engineering – 11.4%, mineral products – 9%, chemical industry – 5.1%, wood and paper pulp – 4.2%, various industrial goods – 3.2%, light industry products – 2.7%. The growth of exports occurred in all major groups of goods compared to the same period in 2019. Thus, exports of agricultural products and food industry increased by 3.4%, metallurgical complex by 28.2%, mechanical engineering –

27.9%, mineral products – 15%, chemical industry – 35.3%, wood and paper pulp – 49 , 6%, various industrial goods – 53.9%, light industry products – 24.5% (Міністерство, 2021).

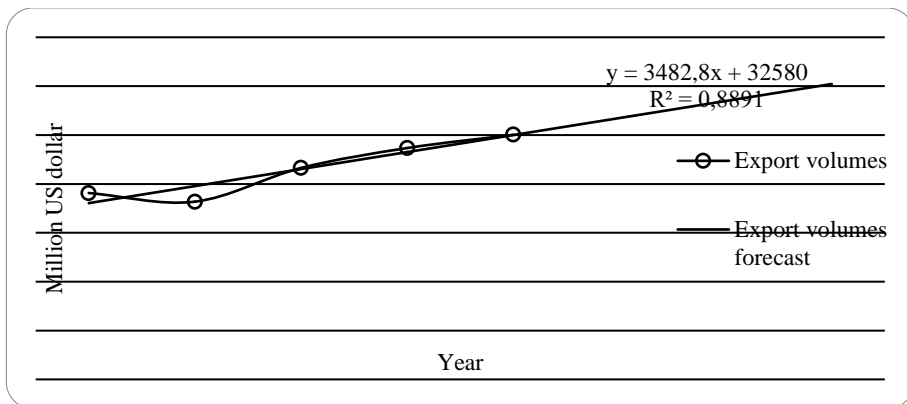


Fig. 1. Dynamics and forecasting of exports of goods of Ukraine, million dollars

Source: Державна, 2021

For the period 2015 – 2019 the largest volumes of exports of goods were in 2019, and the smallest – in 2016.

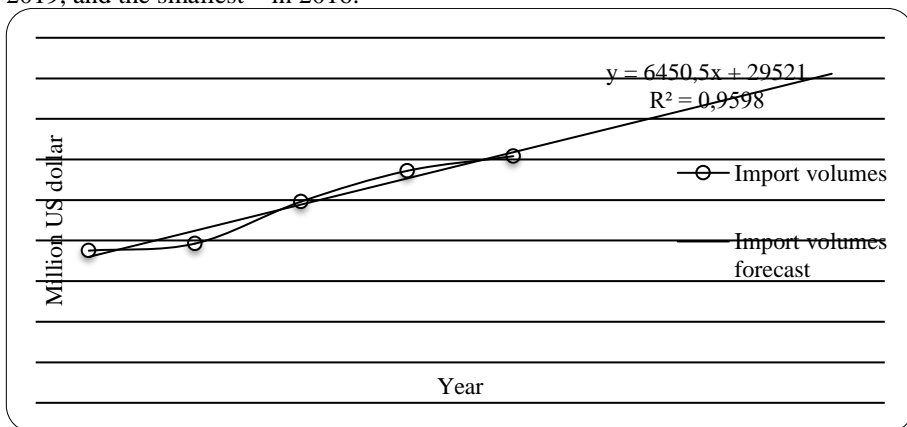


Fig. 2. Dynamics and forecasting of imports of goods of Ukraine, million dollars

Source: Державна, 2021

The largest volumes of imports of goods were in 2019, and the smallest - in 2015. Thus, the current state of foreign trade in goods is characterized by high external openness of the national economy, deepening the imbalance between exports and imports, bipolar structure of foreign trade, the dependence of exports on foreign markets (International Trade, 2020; Trifu, 2020; Bardy & Rubens, 2019; Abeysekera, 2020; Miller, 2019; Pomianek, 2018).

It should be noted that the role of international trade in services has been sharply growing in recent years. Such trade is becoming an increasingly important form of international economic activity in Ukraine. Although Ukraine has enough competitive advantages, such as favorable transit status, highly skilled labor force, extensive transport infrastructure, it still does not occupy a high position in the world market of services (El Amri et al., 2020; Wieland et al., 2020; Bouazizi, 2020; Aslam, 2020; Weldelessie et al., 2019).

Ukraine exports the most transport services (59.3%), telecommunications services, computer and information services (16%), material resources processing services (10.7%) and business services (7.9%). Largest imports: transport services (23.1%), travel services (19.7), business services (19, 8%), financial services (7.1%), government and government services (11.1%) (Міністерство, 2021).

According to 2019 data, Ukraine exports the most services to Russia, the United States, Great Britain, Switzerland, Germany, and Cyprus. The largest imports: Great Britain, Russia, Germany, USA, Turkey, Poland (World, 2021).

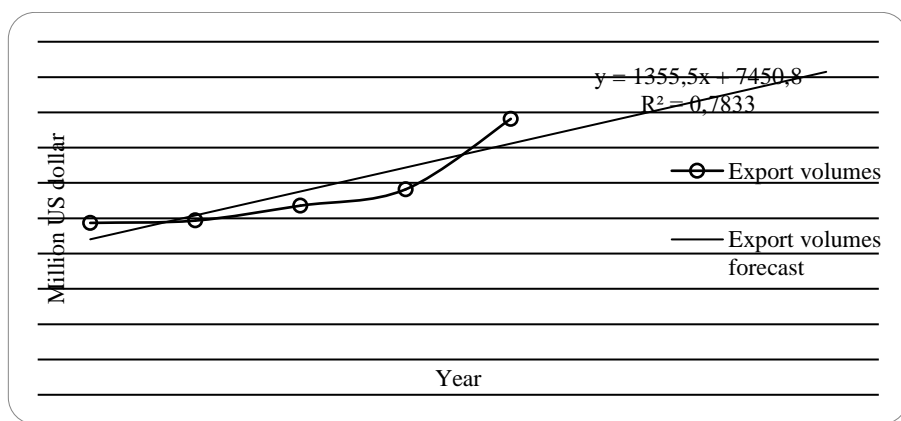


Fig. 3. Dynamics and forecasting of exports of services of Ukraine, million dollars

Source: Державна, 2021

For the period 2015 - 2019, the largest volumes of exports of services can be traced in 2019, and the smallest - in 2016.

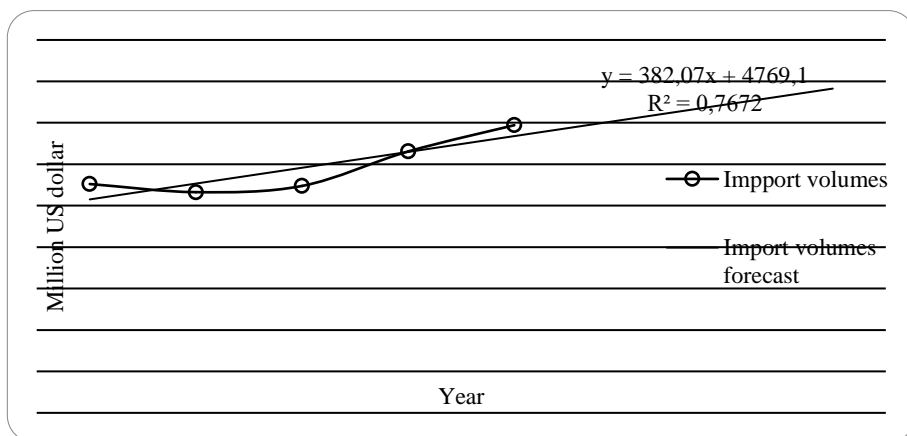


Fig. 4. Dynamics and forecasting of imports of services of Ukraine for 2015-2019, million dollars

Source: Державна, 2021

The largest volumes of imports of services were in 2019, and the smallest – in 2016.

Thus, Ukraine plays a minor role in international trade in services, despite the existing technological potential. Foreign trade in services is characterized by a positive trade balance, the largest share of exports are transport services (International, 2020). Ukraine consumes more foreign financial and business services than it provides.

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