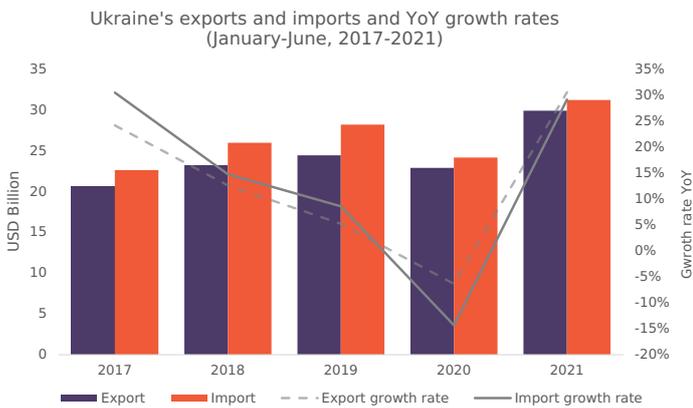
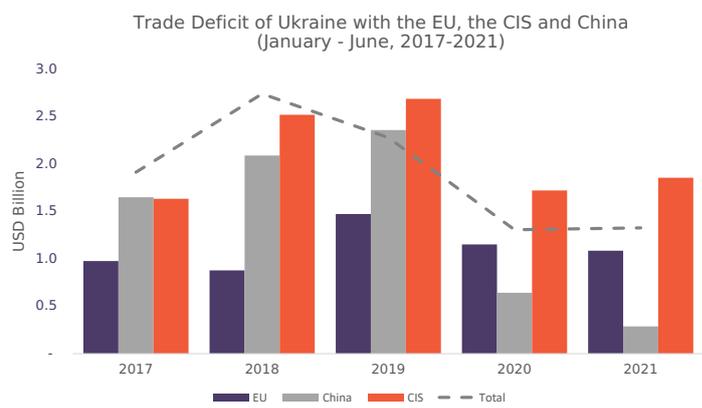


- In January-June 2021, total trade turnover in Ukraine amounted to 61.2 bln USD, marking an increase of 14.07 bln USD (29.9%) compared to the corresponding period of 2020.
- In January-June 2021, Ukrainian exports increased by 7.01 bln USD (30.6%) compared to the corresponding period of 2020, while Ukrainian imports increased by 7.06 bln USD (29.2%).
- In January-June 2021, compared to the corresponding prepandemic period of 2019, Ukrainian exports increased by 5.5 bln USD (22.3%), while its imports increased by 3.01 bln USD (10.7%).
- In January-June 2021, Ukraine's trade deficit amounted to 1.3 bln USD, which represents a 0.02 bln USD (1.5%) decrease compared to the corresponding period of 2020.
- In January-June 2021, Ukraine's main trade partners were China, Poland, and Germany, with shares in total trade volume of 14.5%, 7.6% and 6.5%, respectively. Ukraine's main export partners were China (14.3% of total exports), Poland (7.9%), and Turkey (6%). Meanwhile, its main import partners were China (14.6% of total imports), Germany (8.9%), and Russia (9.1%).
- In January-June 2021, 54.4% of Ukrainian exports were concentrated among its top ten partners, while imports were slightly less diversified with the top ten partners responsible for 63.7% of total imports.
- In January-June 2021, compared with the corresponding period of 2020, a 24.3% decrease in trade turnover with Russia was observed, while significant 33% and 40.6% increases were recorded in the cases of China and the EU.

In the first half of 2021, total trade turnover in Ukraine amounted to 61.2 bln USD, representing an increase of 14.07 bln USD (29.9%), compared to the corresponding period of 2020. In this period, Ukrainian exports increased by 30.6%, compared to the first half of 2020, while Ukrainian imports increased by 29.2% over the same period. It is worth noting that compared to the corresponding period 2019, Ukrainian exports increased by 22.3%, while its imports increased by 10.7%.



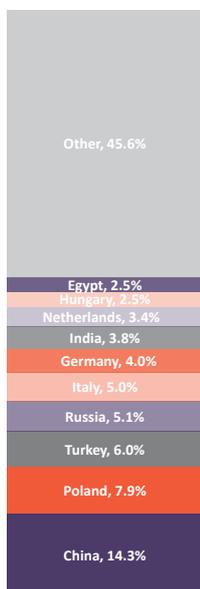
Source: State Statistical Service of Ukraine



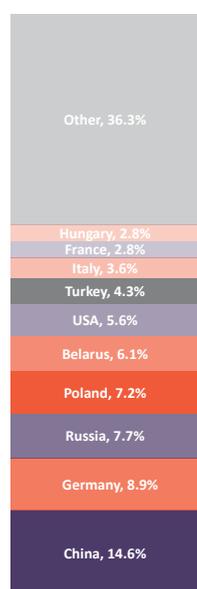
Source: State Statistical Service of Ukraine

According to the State Statistical Office of Ukraine, in January-June 2021, Ukraine's trade deficit amounted to 1.3 bln USD, which marks a 0.02 bln USD (1.5%) decrease compared to the corresponding period of 2020 and a 0.95 bln USD (41.8%) decrease compared to the corresponding period of 2019.

Exports of Ukraine by countries (January-June 2021)



Imports of Ukraine by countries (January-June 2021)



Source: State Statistical Service of Ukraine

In January-June 2021, the main trade partners for Ukraine were China, Poland, and Germany. Their shares in total trade turnover amounted to 14.5%, 7.6%, and 6.5%, respectively.

In the first half of 2021, the main export partners of Ukraine were China, Poland, and Turkey, with shares of 14.3%, 7.9%, and 6% respectively. It is worth noting that from January-June of 2017 to January-June of 2021, the latter year was the only one in which Russia, with a share of 5.1% in Ukrainian exports, did not make it into the top three export partners of Ukraine. Interestingly, China, the biggest export partner of Ukraine for the last two years in a row (with shares of 13.1% in 2020 and 14.3% in 2021, respectively), had a share of only 4% of Ukrainian exports during the same period of 2018.

In the first half of 2021, Ukraine's main import partners were China (14.6% of total imports), Germany (8.9%), and Russia (7.7%). The same countries were the biggest import partners of Ukraine in the first half of 2020 as well: China (15.1%), Germany (10.2%), and Russia (9.1%).

In January-June 2021, 54.4% of Ukrainian exports were concentrated among the top ten partners, which is 1.6 percentage points higher than for the corresponding period of 2019. Imports were slightly less diversified than exports, with the top ten partners responsible for 63.7% of total imports, which is 2.1 percentage points lower than in 2020.

Major exported goods (January - June, 2021)



Source: State Statistical Service of Ukraine

Major imported goods (January - June, 2021)



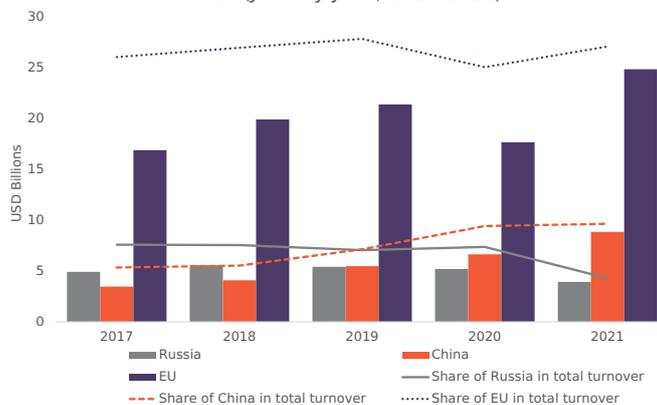
Source: State Statistical Service of Ukraine

In the first half of 2021, Ukraine's ten most exported goods amounted to 92.6% of its total exports. The structure of imports is slightly more diverse with the ten most imported products amounting to 89.4% of total imports. In general, Ukraine's external trade is highly concentrated in terms of traded goods.

In the first half of 2021, compared with the first half of the previous year, there was almost no change in import figures of major commodity groups. As for exports, it is worth noting that base metals, growing from 4.5 bln USD in the first half of 2020 to 7 bln USD for the same period of 2021, have surpassed plant products to become the most commonly exported type of good in Ukraine.

Interestingly, some commodity groups hold similar percentage shares within total imports and total exports. In particular, mineral products enjoy a share of 17% in imports and 15.4% in exports, while finished food industry products make up 5% of imports and 6.2% of exports. This trend can be partially explained by the re-export of these product types.

Ukraine's external trade turnover with Russia, China and EU (January-June, 2017-2021)



Source: State Statistical Service of Ukraine

It is also important to analyze the dynamics of Ukraine's trade turnover with its main trading partners (China, Russia, and the EU) and their corresponding shares in total trade turnover.

In the first half of 2021, compared with corresponding period of 2020, a 24.3% decrease (a 10% increase in imports, and a 49.3% decrease in exports) in trade turnover with Russia was observed due to the ongoing conflict and the introduction of severe sanctions by both countries¹, while significant increases of 33% and 40.6% could be seen in the case of China (a 25.2% increase in imports, and a 42.4% increase in exports) and the EU (a 37.8% increase in imports, and a 43.9% increase in exports).

Interestingly, Ukraine's total trade turnover with China increased by 21.4% in January-June 2020, compared to the corresponding period of 2019. However, the same figure decreased for the EU and Russia over the same period (17.4% and 4%, respectively).

It must also be mentioned that throughout the period of 2017-2021, Russia's share in total trade turnover tended to decrease. In particular, Russia's share declined by 4.9 percentage points in 2021 compared to 2017, and amounted to 6.4%, illustrating a reorientation in trade from Russia to the EU and China². China's share has increased steadily in this regard and reached 14.5% in 2021, with a 6.4 percentage point increase from 2017 to 2021. Considering the fact that EU member states, such as Poland, Italy, Germany, and Hungary, are among the top trade partner countries of Ukraine, as the share of the EU in its total turnover has become reasonably high and relatively stable, with a slight decrease (4.2%) in 2020 compared to 2019, which could be explained by decreased demand during the COVID-19 pandemic, showing just a 1.5 percentage point increase from 2017 to 2021 and reaching 40.6% of Ukraine's total trade turnover.

It is also worth analyzing Ukraine's exports expressed as a percentage of GDP and to compare this with other EaP countries.

In 2020, Ukraine's exports, expressed as a percentage of GDP, have undergone a decreasing trend in recent years since 2017 and decreased to 39%. Despite a significant decrease, Ukraine still had the second highest figure out of the EaP countries in 2020 (the only country with a higher figure was Belarus).

It is worth noting that all six EaP countries experienced a drop in this figure in 2020, compared to 2019.

	Export (% of GDP) of EaP countries			
	2017	2018	2019	2020
Ukraine	48	45.2	41.2	39
Georgia	46.5	50.6	54.8	37.4
Moldova	31.9	30.1	31.4	27.3
Azerbaijan	48.5	54.1	49.1	35.7
Belarus	66.8	70.5	65.1	61.9
Armenia	38.2	39.4	41.2	30.7

Source: World Bank

¹ Source: <https://www.atlanticcouncil.org/blogs/ukrainealert/russia-loses-leverage-as-ukrainian-exports-go-global/>
² Source: <https://www.bruegel.org/2020/07/ukraine-trade-reorientation-from-russia-to-the-eu/>

Basic Economic Indicators	2017	2018	2019	2020	2021 Q1
Nominal GDP (bln hryvnia)	2 984	3 561	3 975	4 194	1 009
GDP per Capita (USD, PPP)	11 871	12 629	13 341	13 057	-
GDP Real Growth (%)	2.5%	3.4%	3.2%	-4%	-1.2%
Yearly inflation (%)	14.4%	10.9%	7.9%	2.7%	7.4%
Exchange rate (hryvnia/USD)	26.6	27.2	25.9	27.0	28.0
FDI (BOP net inflows) (bln USD)	3.7	4.5	5.9	-0.9	-
Unemployment Rate (%)	9.9%	9.1%	8.6%	9.5%	10.5%
Gross external Debt (bln USD)	115.5	114.7	121.7	125.7	123.1

* preliminary data