

THE DYNAMICS OF THE EXTERIOR COMMERCE OF ROMANIA IN 2007

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Abstract:

The superior rhythms registered by Romania's exterior commerce in 2007, as compared with the economical increase, led to the increase of the commercial deficit, situation given by the acceleration of the imports in the detriment of exports.

Keywords: The superior rhythms, exterior commerce in 2007, product exports, export structures leads

The superior rhythms registered by Romania's exterior commerce in 2007, as compared with the economical increase, led to the increase of the commercial deficit, situation given by the acceleration of the imports in the detriment of exports.

We can detect certain characteristics of the exterior commerce that can be synthesized as follows:

1. the increase of the product exports with high incidental value, making reference here to the specific products of car building industry;
2. the Romanian offer of capital goods was compatibilized with the external demand, aspect reflected in the accentuated dynamic of these goods' exports;
3. the improvement of the Romanian export structures leads to a sure orientation towards the developed countries, aspect due to the overall development of the strategies, but especially to the increase level of the investments in the top technologies;
4. the concentration of the exports towards the main poles represented by Italy, Germany, France and Turkey registered a small amplitude variation, representing almost 50% from the total exports of Romania;
5. even though the imports were situated at a higher level and accentuated the commercial deficit, a favorable part that consists in the material sustaining of the Romanian economy's modernization also appears;
6. the factors that contributed to the increase of the imports in the analyzed period are resumed to: the exclusion of the customs in EU, the economical activity registered a high volume, the appreciation of the national currency contributed to the cheapening of the imports;
7. the localization of the deficit at the goods for the industry's provision and at the capital goods, that sustained the processes of restructuring, modernization and increase of the economy in this period, potential generative of development, export and new places of work;
8. the value of the commercial deficit in the first months of 2007 came to 7624,5 million euros as compared with the same period of 2006 when it represented 2977 million euros. This reveals the fact that the commercial deficit was with 64,1% higher in 2007 as compared to 2006;
9. if we are to refer to the EU intra commercial deficit we can say that, according to the INS data, this one was of 5665,5 million euros, 94,9% higher as compared with the

same period in 2006, while the EU extra commercial deficit increased with only 12,6%;

10. the majority of the negative balance realized per total was sustained in proportion of 92,7% by the increase of the commercial deficit from Romania's commerce with the EU countries;
11. inside of the exterior commerce of Romania, 71,8% was represented by the commerce with the EU countries, fact retrievable in the commercial deficit also with 74,3% from the total.

In order to sustain what we've said above, we present the following table with the degree of concentration of the imports and exports in the period 2004 -2007 towards the main poles. We refer here to export partner countries: Italy, Germany, France and Turkey and import partner countries: Germany, Italy, Hungary and France.

Table no. 1. The degree of concentration of the imports and exports in the period 2004 -2007 towards the main poles

Year	Import value-%-	Export value-%-
2004	51,6	42,4
2005	48,6	39,5
2006	48,9	39,6
2007 ¹	49,7	46,2

Source: The National Committee of Prognosis

Sustaining as well the previous affirmations, we will present hereinafter the situations of Romania's intra and extra EU exterior commerce. The evolution was the one rendered in the table below:

Table no. 2. The situations of Romania's intra and extra EU exterior commerce

-millions euros-

Year	The evolution of the Intra-EU exterior commerce			The evolution of the Extra-EU exterior commerce		
	Import	Export	Balance	Import	Export	Balance
2006	10165,0	7258,0	-2907,0	4879,4	3139,6	-1739,9
2007	13987,2	8321,7	-5665,5	5353,7	3394,7	- 1959,0

Source: The National Committee of Prognosis

According to the data given by INS, in the first five months of 2007 the EU extra commerce detained a heft of 28,2% in the total exterior commerce of Romania, concentrating here 25,7% of the total commercial deficit. In the first months of 2007, the conditions of commerce were favorable, aspect reflected as well in the evolution of the external commercial exchanges. This fact can be demonstrated by the fact that for an index of import unitary value of 102,3%, the export registered an index of the unitary value of 111,5%, resulting an index of exterior commerce (terms of trade) of 109,4%, the highest level reached in the last few years. Moreover, we can say that due to a commerce index of 107,2%, inferior to the average on economy, Romania's exterior commerce with countries outside the European Community registered more favorable conditions than Romania's commerce with the European Union's countries.

We can conclude that the total amount of exports registered a deceleration of the dynamic, given the fact that the exports towards the European Union's countries remained constant as compared with the imports which increased with 27,9% as total amount, and the ones from EU with 34,5%.

¹ First four months of 2007.

When it comes to the export of goods in the first few months of 2007, we can remark a few more relevant aspects, namely:

1. was registered an increase with 12,7% when compared to 2006, totalizing the value of 11716,4 million euros;
2. March 2007 remarks itself through the highest value of the exports, that is 2,7 million euros;
3. the monthly average value of the exports was of 2343,3 million euros, as compared to 2079,5 million euros the value they represented in the first 5 months of 2006.
4. Romania's exports towards the extra EU countries were localized in 2007 at the value of 3394,7 million euros, registering an increase of 8,2% when compared to 2006;
5. the increase with 14,6% of the value of the exports towards the EU countries, is to be found in the absolute value of the exports towards these countries which is of 8321,7 million euros. One can observe that the increase rhythm was superior with 2,0 percentual points to the one realized overall and with 6,4 percentual points to the extra communitary one.

We consider that an analysis of the exports on product groups is relevant in the demarche carried on in this paper, context in which we can say , on the basis of the data analyzed and gathered from the sites of the National Statistics Institute and the one of the National Committee of Prognosis, the following:

- 34,5% of the total exports in 2007, as compared to 29,4% in the previous year, inheres to the specific products of the car building industry which in this way detains the major heft;
- Not very far, we can find the textile and skin industry with a heft of 19,5% and common metals and articles 17,5%;
- Certain groups of products registered significant increases in 2007 as compared to the average increase of the exports of 14,9%. We refer here to common metals and articles of this kind 37,0%; products of the car building industry (including electrical engineering) 36,7%, agro -alimentary products 28,6%, chemical and plastic industry products 26,8%. The exports of the articles of stone, gypsum, cement, glass, ceramics 11,4% and products of the wood industry, paper (including furniture) 11,4% were situated under the average.

If we try a classification of the exports on destinations, we can affirm that the first 10 receptor countries of the Romanian exports were :

Table no. 3. Classification of the Romanian exports on destinations

Country	The heft in the total exports of Romania - %-
Italy	18,0
Germany	17,0
France	7,7
Turkey	7,0
Hungary	5,1
Great Britain ;	4,4
Norway	3,3
Austria	2,7
Bulgaria	2,3
Poland	2,1
The cumulated heft of these countries	69,6

The imports had a dynamic evolution, with significant levels, given some aspects regarding the necessity to continue the modernization of the productive apparatus of the economy, as well as

of the degree still unsatisfying of the coverage of the consumption demand from the internal production, implicitly determining supplementary imports of consumption goods. The evolution can be synthesized as follows:

1. registered in 2007 an increase with 28,6% as compared to 2006, coming to the value of 19340,9 million euros;
2. as compared to the monthly average value of 3009 million euros in 2006, in 2007 this one was higher, namely 3868,9 million euros;
3. the level reached by the value of the extra EU imports is increasing with 474,5 million euros in 2007 as compared to 2006, reaching 5353,7 million euros;
4. the increase of 37,6% of the imports coming from EU in 2007 led to the reach of the value of 13987,2 million euros, value that represents 72% from the total number of imports realized by Romania.

The main characteristics of the good import structure in the first few months of 2007, for which there are detailed statistic data, refer to superior increases as compared to the average increase of 30,6% of the products such as common materials and articles of this kind with 70,7%; products of the car building industry (including electrical engineering) with 48,8%, products of the wood industry, paper (including furniture) with 37,1%, products of the chemical and plastic industry with 35,2%, articles of stone, gypsum, cement, glass and ceramics with 34,9%. We also observe increases of the under the average imports realized at: agro-alimentary products with 23,1%; products of the textile and skin industry with 14,5%.

If we refer to other groups of goods, we can observe that the mineral products import registered a decrease with 16,9%, and the products of the car building industry had a significant contribution to the increase of the national imports with circa 56%.

We should also remark the fact that the capital goods that in 2006 registered an increase rhythm superior to the average with 5,8 percentual points, in the first months of 2007 these ones being situated with 27,8 percentual points above the total increase of the imports (58,4% as compared to 30,6%).

We hereinafter present the evolution of the CIF imports on basic classes from the National Accounts System (NAS) the percentual modification as compared to the corresponding period.

Table no. 4. The evolution of the CIF imports on basic classes from the National Accounts System (NAS) the percentual modification as compared to the corresponding period

Year \ Basic classes	2005	2006	2007
Capital goods	24	22,5	58,4
Intermediary goods	21,2	25,2	22,0
Consumption goods	21,2	22,3	29,9
Goods that are not comprised in the three classes	58,6	31,4	57,5

Source: INS Data

From what we presented in the anterior table, we can deduce the fact that the intermediary goods imports for production, as well as the ones of consumption goods registered increase rhythms situated under the average, of 22,0%, respectively 29,9%.

Making a classification of the main poles from where Romania imports, which represent in total 70,4% from the total realized in the first months of 2007, results the following situation:

Table no. 5. The main poles from where Romania imports

Country	Heft in the total export of Romania - % -
Germany	17,2
Italy	13,4
Hungary	7,1

France	6,5
Russian Federation	6,3
Turkey	5,6
Austria	4,9
Holland	3,7
Poland	3,1
China	2,5
The cumulated heft of these countries	70,4

Taking as a starting point the analysis of the imports and exports realized by Romania, we can also analyze Romania's commercial balance that registered the highest deficits at products as "products of the car building industry", with a deficit of 2648,8 million euros, increasing with 68,8% as compared with the value registered in the corresponding period of the anterior year contributing to the increase of the total deficit with 50%, "mineral products" with a deficit level of 1040,6 million euros, superior with 6,1% to the value from the first months of 2006, "products of the chemical value", increasing with 40,1%, registered a deficit of 1237,2 million euros, the deficit "agro-alimentary products" increased with 18,5%, reaching a value of 684,3 million euros.

Together with these aspects, we can also observe the commercial deficits on classes from the National Accounts System, observing that in the case of the intermediary goods appears a deficit of circa 62% close accompanied by 33% at the capital goods. We can observe an inedited fact, namely that the consumption goods are confronted with deficit, until 2007 over registering.

If we strictly refer to one or the other of the main partners of Romania, we can observe the existence of the most significant values of the balance deficits of the commercial exchanges registered in the case of Germany 1023,0 million euros, Russian Federation 819,2 million euros, Hungary 600,2 million euros and Austria 484,0 million euros. Also deficits were registered with Asia-Oceania 602,8 million euros (the highest being on: China 332,2 million euros; South Correa 149,5 million euros and Australia 46,0 million euros) and America 168,2 million euros (Brazil 55,9 million euros; Canada 30,1 million euros). The only area on which was registered an over of the international commercial exchanges balance is Africa and the Nearby Orient, 306,2 million euros.

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