

Reasons for Discrepancies between NBU and SSSU External Trade Data

National Bank of Ukraine Statistics and Reporting Department

Kyiv, 2019





- Discrepancies between the NBU and State Statistics Service of Ukraine (SSSU) external trade data mainly explained by the different methodology and the statistic coverage of the external trade
- According to the methodology NBU make adjustments to SSSU for:
 - the informal trade estimation, CIF/FOB adjustment;
 - the volume of goods for processing;
 - estimation of travelers' expenses in item "Services";
 - other.
- In 2018, the informal trade deficit totaled to USD 2.4 billion, while the travel expenses deficit amounted to USD 5.7 billion.
- SSSU use the balance of payments data for the National accounts' compilation (GDP calculation).
- Detailed information on reconciliation between SSSU's data and balance of payments data is quarterly published on the official web-site in External sector statistics section (External trade file).

In 2018 according to SSSU's data the external trade deficit amounted to USD 6.2 billion, whereas according to the balance of payments data - USD 11.2 billion.

Data discre	ancies in 2018, USD million	

		<u>, </u>			
		SSSU	NBU	NBU - SSSU	%
Goods and serv trade balance)	•				
	exports	<i>56 732</i>	59117	2 385	4,2
	imports	62 946	70 321	7 375	11,7
	balance	<i>- 6 214</i>	- 11 204	- 4 990	-
Goods + service	es				
	exports	59 196	59 117	- 79	- 0,1
	imports	62 948	70 321	7 373	11,7
	balance	- 3 752	- 11 204	- 7 452	-
Goods	exports	47 341	43 345	- 3 996	- 8,4
	imports	57 142	55 954	- 1 188	- 2,1
	balance	- 9 801	- 12 609	- 2 808	-
Services	exports	11 855	15 772	3 917	33,0
	imports	5 806	14 367	8 561	147,5
	balance	6 049	1 405	- 4 644	-

SSSU's publication on external trade balance:

^{*} To exclude double counting the value of goods' and services' exports-imports is adjusted for manufacturing services on physical inputs owned by others

Compilation of Balance of Payments and External trade balance based on the different methodology according to international standards.

Balance of payments compilation

According to

International Monetary Fund methodology
 Balance of Payments and International Investment
 Position Manual, Sixth edition, 2009

External trade balance compilation

According to

 United Nations Statistical Commission methodology

International Merchandise Trade Statistics Manual, 2010 Manual on Statistics of International Trade in Services, 2010

Treatment of goods for processing (raw materials and finished goods made from it) and manufacturing services on physical inputs owned by others:

	Balance of payments (NBU)	External trade balance (SSSU)
Goods and Services	Goods + Services	Goods + Services – Manufacturing services on physical inputs owned by others
Goods – goods for processing	Excluded	Included
Services – Manufacturing services on physical inputs owned by others	Included	Included

For BOP compilation SSSU data are adjusted for coverage and classification

20	1	8
----	---	---

NBU – SSSU, USD billion	Exports	Imports	Balance
Goods and services (ETB)	2,4	7,4	- 5,0
Goods + services	- 0,1	7,4	- 7,5
Adjustments:			
Coverage	- 0,1	8,7	- 8,8
goods for processing	- 4,7	- 3,2	- 1,5
informal trade	0,7	3,2	- 2,5
other goods(humanitarian aid, parcels)		0,2	- 0,2
travel	1,1	6,8	- 5,7
other services	2,8	1,7	1,1
Classification		- 1,3	1,3
CIF / FOB		- 1,3	1,3

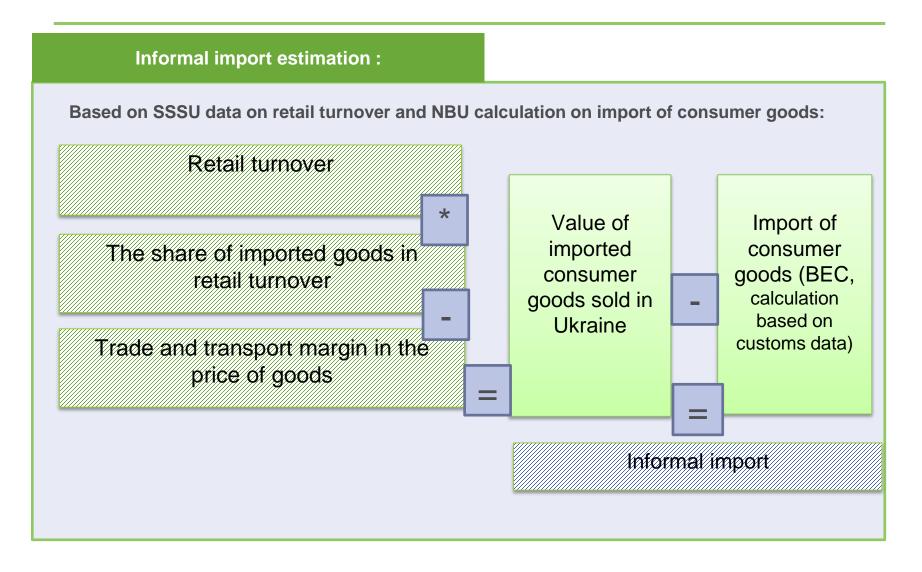
The main reasons	of differences in the
balance of externa	al trade :

NBU adjustments for:

- Informal trade
- travelers' expenses

NBU – SSSU, USD billion	2016	2017	2018
Goods and services	- 7,0	- 6,1	- 5,0
informal trade	- 4,2	- 2,9	- 2,5
travel	- 4,5	- 5,3	- 5,7
other	1,7	2,1	3,2

Estimation of Informal import based on SSSU data on retail turnover and NBU calculation on import of consumer goods



NBU estimates travelers' expenses

Estimation of Travel item:

Quarterly data on the amount of foreigners, who went to Ukraine, and citizens of Ukraine, who went abroad, by country and by purpose of visit (Administration of the State Border Service of Ukraine)

*

Average expenditures of visitors in Ukraine and Ukrainian travelers abroad

Average length of stay

*

Average expenditures per day

- the Cabinet of Ministers' regulations on the reimbursement of expenditures on business trips
- SSSU Survey of travellers
- the Internet, mass media, ets.

Travelers' expenses

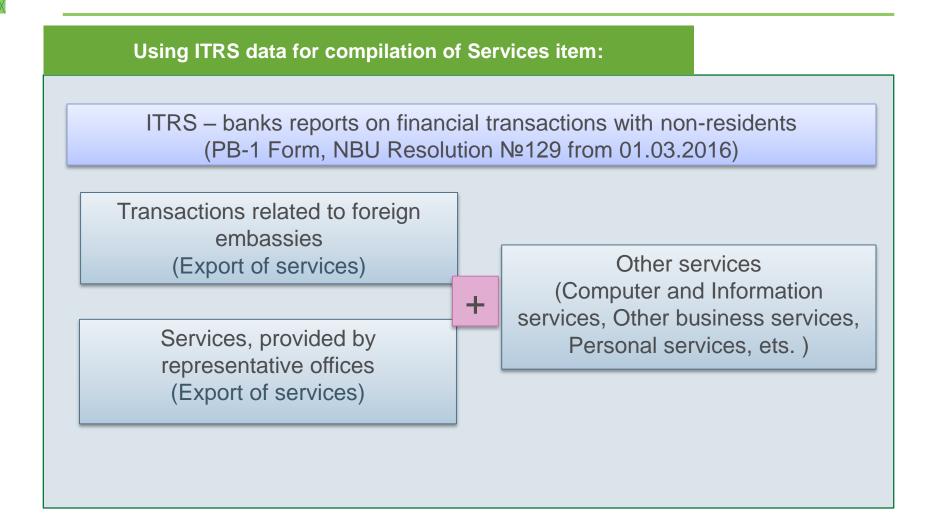
SIF/FOB adjustments based on SSSU data on the share of freight and insurance in the imports

	S	F/FOB adjustment :				
Import of Goods (SSSU, CIF**)						
	Import of Goods, FOB*		Transportation and insurance		I insurance	
			Non-residents		Residents	
	NBU (Import of Goods, FOB)		NBU (Services)			

Terms and definitions:

- *FOB (Free on Board) value of goods at port on the frontier of exporting country
- **CIF (Cost, Insurance, Freight) value of goods on the frontier of importing country (include FOB price and value of freight and insurance premiums incurred from the frontier of exporting country to the border of the importing country)

Other adjustments



Detailed information on reconciliation between SSSU's data and balance of payments data is quarterly published on the official web-site in External sector statistics section (External trade file).

