

## ANALYSIS OF THE TRADE RELATIONS BETWEEN THE REPUBLIC OF MACEDONIA AND THE CZECH REPUBLIC

**Emilija Miteva-Kacarski**  
University Goce Delcev-Stip  
MACEDONIA  
[emilija.miteva@ugd.edu.mk](mailto:emilija.miteva@ugd.edu.mk)

**Kostadinka Panova**  
University Goce Delcev-Stip  
MACEDONIA  
[kostadinka.cabuleva@ugd.edu.mk](mailto:kostadinka.cabuleva@ugd.edu.mk)

**Vlatko Paceskoski**  
University Goce Delcev-Stip  
MACEDONIA  
[vlatko.paceskoski@ugd.edu.mk](mailto:vlatko.paceskoski@ugd.edu.mk)

### ABSTRACT

Every country has a comparative advantage in the production of certain goods and services. This paper's goal is to identify the sectors in which the Republic of Macedonia has a comparative advantage in terms of its trade relations with the Czech Republic. Both Revealed Comparative Advantage and Revealed Symmetric Comparative Advantage methodologies had been used in the empirical analysis. The Republic of Macedonia's revealed comparative advantage in relation to the Czech Republic was calculated for the time period of 2006-2015 by using the Standard International Trade Classification, Revision 4 (SITC, Revision 4), which classifies goods into 10 groups. The results of the analysis point to the fact that the Republic of Macedonia had a continuous comparative advantage in the export of categories of food, beverages, and tobacco in the course of the analyzed period. Since 2010, the comparative advantage has also been present in the category of machinery and transport equipment due to the altered export structure and the export of motor vehicles' parts and equipment. According to Hinloopen and Marrewijk's classifications, the calculated comparative advantage of Macedonian export in the Czech market ranges from weak to moderate limits. It was noticed a strong comparative advantage merely in the category of beverages and tobacco in 2011.

**Keywords:** Trade, comparative advantage, export, competitiveness.