

УДК 339.1

Artur Nikitin<sup>1</sup>, Yuliya Bykova<sup>2</sup>

<sup>1</sup>student of group FEM-118 ZNTU

<sup>2</sup> teacher ZNTU

## INTERNATIONAL TRADE

1. International trade is the exchange of goods and services between countries. This type of trade gives rise to a world economy, in which prices or supply and demand, affect and are affected by global events.

2. International trade allows us to expand our markets for both goods and services that otherwise may not have been available to us. It is the reason why you can pick between a Japanese, German or American car. As a result of international trade, the market contains greater competition and therefore more competitive prices, which brings a cheaper product home to the consumer

3. Trading globally gives consumers and countries the opportunity to be exposed to goods and services not available in their own countries. Almost every kind of product can be found on the international market: food, clothes, spare parts, oil, jewelry, wine, stocks, currencies, and water. Services are also traded: tourism, banking, consulting and transportation. A product that is sold to the global market is an export, and a product that is bought from the global market is an import. Imports and exports are accounted for in a country's current account in the balance of payments.

4. Global trade allows wealthy countries to use their resources—whether labor, technology or capital— more efficiently. If a country cannot efficiently produce an item, it can obtain the item by trading with another country that can. This is known as specialization in international trade.

5. International trade not only results in increased efficiency but also allows countries to participate in a global economy, encouraging the opportunity of foreign direct investment (FDI), which is the amount of money that individuals invest into foreign companies and other assets.

6. Ukraine is the 50th largest export economy in the world and the 39th most complex economy according to the Economic Complexity Index (ECI).

7. A negative way to develop foreign trade is low competitiveness of national goods and services. In this regard, the problems of foreign and economic policy, minimizing the critical dependence on individual countries, balanced exports and imports are solved.

8. International trade has the potential to maximize a country's capacity to produce and acquire goods. Economic theory indicates that international trade raises the standard of living. A comparison between the performance of open and closed economies confirms that the benefits of trade in practice are significant.