

## ABSTRACTS

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### WORLD STEEL MARKET INFLUENCE ON UKRAINE GDP DYNAMICS

The article investigates the influence of world steel prices on Ukraine's GDP dynamics in the context of the theory of export-led growth. To test the hypothesis of «export-led growth» on the economy of Ukraine the influence of the exports growth rate to GDP growth rate in the period from 2000 to 2014 was done. Author revealed linear dependence of GDP growth in Ukraine by export growth. The share of exports of steel products decreased from 42,8% in 2006 to 28,3% in 2014, but this commodity group continues to dominate in Ukraine export structure.

The world steel production growth rate far exceeds the economic growth. That has caused excess of steel supply over demand and continued price decline. As of January 2015 compared with January 2010 the steel price reduction was 20%, and compared with January 2011 was 30%. The leading manufacturer of steel products is China, which is ramping up production rates are twice the world. High probability of the depressed state of the world economy till 2020 suggests conservation the negative situation on the world steel market. Author revealed linear dependence of Ukraine GDP from changes in world steel prices for the period 2002- 2014. However, due to the economic crisis and military conflict in the Donbas, Ukraine reduced steel production by 25% and left the top ten steel producing countries. It can be argued that steel export is losing the role of economic growth driver in Ukraine. Therefore there is an urgent need to diversify commodity exports. Justification commodity structure of Ukraine's exports, which would increase the share of products with high added value in the exports basket should be the subject of further research.