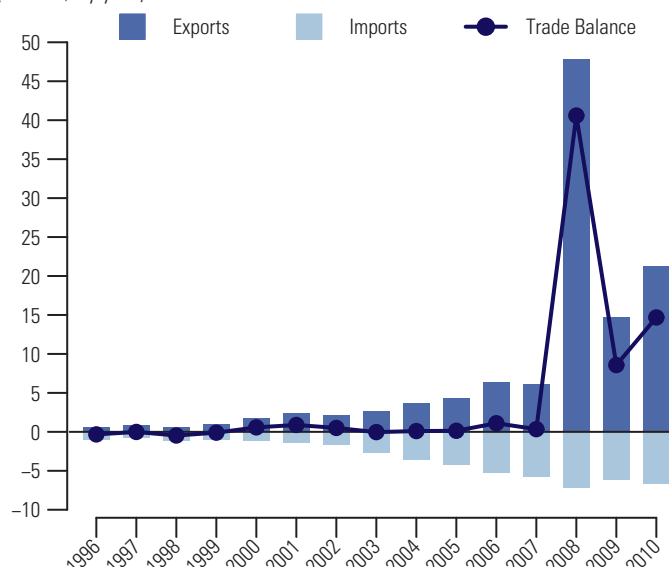


Overview:

After several years of continuous growth marked by a peak of 47.8 bln US\$ in 2008, the value of the exports of Azerbaijan contracted sharply by 69.2 percent in 2009 but increased again in 2010 by 44.9 percent to amount to 21.3 bln US\$ (see table 1 and graph 1). The development on the imports side is less pronounced with an increase by 7.8 percent in 2010 to 6.6 bln US\$ (see table 2 and graph 1). The trade surplus went up from 8.6 bln US\$ in 2009 to 14.7 bln US\$ in 2010 (see graph 1). By MDG regions, the largest surplus was recorded with Developed Europe (+8.9 bln US\$) (see graph 2). Other major surpluses were recorded with South-eastern Asia (+2.0 bln US\$) and Developed North America (+1.8 bln US\$). In 2010, imports were more diversified across partners than exports: 15 major partners accounted for 80 percent of imports (compared to 11 major partners for exports) (see graph 3).

Graph 1: Total imports, exports and trade balance

(Bln US\$ by year)



Exports Profile:

In 2010, Azerbaijan's exports were almost exclusively (94.5 percent) mineral fuels, lubricants and related materials (SITC section 3) (see table 1). Their exports increased on average by 39.0 percent each year since 2006. Italy, France and Israel were the top three markets for exports in 2010 and accounted for 50.0 percent of exports (see table 4). Main exported products were petroleum oils and oils obtained from bituminous minerals, crude (HS code 2709), petroleum oils, other than crude (HS code 2710) and petroleum gases and other gaseous hydrocarbons (HS code 2711) (see table 3).

Table 1: Exports by SITC sections

(Value in million US\$, growth and shares in percentage)

SITC	2010	Avg. Growth rates (%)		2010 share
		2006-2010	2009-2010	
Total	21 278.4	35.2	44.9	100.0
0+1	437.1	13.1	4.2	2.1
2+4	177.8	-8.7	31.1	0.8
3	20 110.1	39.0	47.4	94.5
5	130.1	-1.0	44.4	0.6
6	170.8	-0.6	0.0	0.8
7	217.8	15.6	8.4	1.0
8	22.0	11.8	36.6	0.1
9	12.7	0.4	-21.3	0.1

Table 2: Imports by SITC sections

(Value in million US\$, growth and shares in percentage)

SITC	2010	Avg. Growth rates (%)		2010 share
		2006-2010	2009-2010	
Total	6 596.8	5.8	7.8	100.0
0+1	1 128.9	22.0	27.1	17.1
2+4	263.9	8.6	52.5	4.0
3	73.6	-41.1	13.9	1.1
5	583.8	17.1	18.1	8.9
6	1 425.1	12.2	34.2	21.6
7	2 688.0	2.5	-8.0	40.7
8	389.9	6.8	-2.0	5.9
9	43.5	40.2	-62.6	0.7

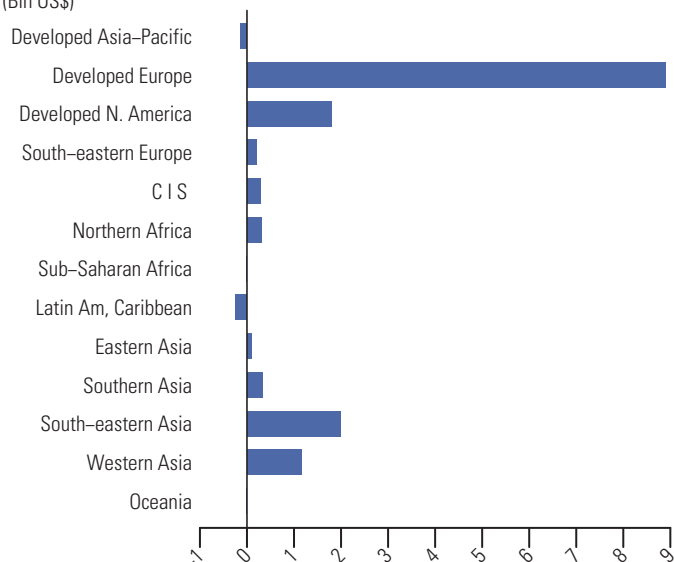
Table 3: Top 10 export commodities 2008 to 2010

(Value in million US\$)

HS code	4-digit heading of Harmonized System 2007	Value (million US\$)			Unit value				SITC code
		2008	2009	2010	2008	2009	2010	Unit	
All Commodities.....		47 756.2	14 688.7	21 278.4					
2709 Petroleum oils and oils obtained from bituminous minerals, crude.....		44 170.9	11 989.7	18 489.6	0.6	0.4	0.6	US\$/kg	333
2710 Petroleum oils, other than crude.....		2 054.4	1 482.8	1 284.0	0.7	0.5	0.6	US\$/kg	334
2711 Petroleum gases and other gaseous hydrocarbons.....		92.6	131.8	303.9	0.3	0.2	0.2	US\$/kg	343
1701 Cane or beet sugar and chemically pure sucrose, in solid form.....		83.4	102.1	145.9	0.5	0.6	0.7	US\$/kg	061
7308 Structures (excluding prefabricated buildings of heading 94.06).....		153.7	69.3	0.9	32.1	17.6	2.1	US\$/kg	691
8905 Light-vessels, fire-floats, dredgers, floating cranes and other vessels.....		96.7	121.6	...	24.2	20.3		mln US\$/unit	793
8901 Cruise ships, excursion boats, ferry-boats, cargo ships, barges.....		9.7	30.6	173.8	1.1	3.4	173.8	mln US\$/unit	793
1516 Animal or vegetable fats and oils.....		53.7	54.4	87.6	1.7	2.5	2.5	US\$/kg	431
3901 Polymers of ethylene, in primary forms.....		82.4	34.6	49.2	1.3	0.9	1.1	US\$/kg	571
0810 Other fruit, fresh.....		58.1	46.1	51.9	0.5	0.4	0.4	US\$/kg	057

Graph 2: Trade Balance by MDG Regions in 2010

(Bln US\$)



Graph 3: Partner concentration of trade in 2010

(Cumulative share by ranked partners)

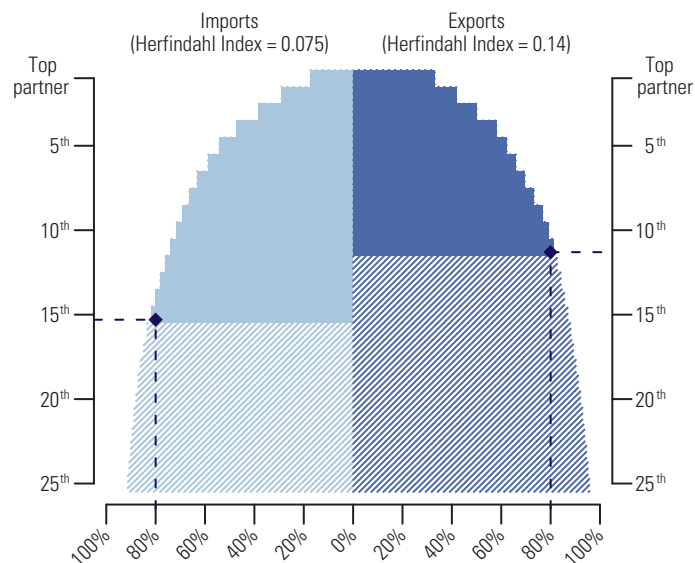


Table 4: Exports by principal countries and SITC sections in 2010

(Value in million US\$, percentages of country total)

Country	Total	Shares by SITC sections (%)									Total
		0 + 1	2 + 4	3	5	6	7	8	9		
World.....	21278.4	2.1	0.8	94.5	0.6	0.8	1.0	0.1	0.1	100	
Italy.....	7044.2	0.0	0.0	99.9	0.1	0.0	0.0	0.0	...	100	
France.....	1856.5	0.0	0.0	100.0	0.0	0.0	0.0	0.0	...	100	
Israel.....	1744.8	0.0	0.0	100.0	...	0.0	0.0	0.0	...	100	
USA.....	1706.6	0.0	0.0	99.9	0.0	0.0	0.0	0.1	0.0	100	
Ukraine.....	888.6	0.7	0.0	97.7	1.3	0.1	0.1	0.0	...	100	
Croatia.....	787.2	0.0	0.0	100.0	100	
Indonesia.....	782.2	0.0	0.0	100.0	0.0	0.0	0.0	0.0	...	100	
Russian Federation.....	773.6	39.9	19.5	28.0	2.4	6.4	0.7	1.6	1.6	100	
Malaysia.....	740.8	0.0	0.0	100.0	...	0.0	0.0	0.0	0.0	100	
Singapore.....	510.9	0.0	0.0	99.9	0.1	0.0	0.1	0.0	...	100	

Imports Profile:

Machinery and transport equipment (SITC section 7) represented nearly half of imported goods (40.7 percent) in 2010 (see table 2). Other major commodity groups included manufactured goods classified chiefly by material (SITC section 6) and food, live animals, beverages and tobacco (SITC sections 0+1) respectively with 21.6 and 17.1 percent of imports. Over the last three years, top imported products were motor cars and other motor vehicles principally designed for the transport (HS code 8703), wheat and meslin (HS code 1001) and cigars, cheroots, cigarillos and cigarettes (HS code 2402) (see table 5).

Table 5: Top 10 import commodities 2008 to 2010

(Value in million US\$)

HS code	4-digit heading of Harmonized System 2007	Value (million US\$)			Unit value			SITC code
		2008	2009	2010	2008	2009	2010	
All Commodities.....		7 161.8	6 119.1	6 596.8				
8703 Motor cars and other motor vehicles principally designed for the transport.....		381.9	254.4	275.0	8.6	9.0	9.5 thsd US\$/unit	781
1001 Wheat and meslin.....		368.4	194.8	285.4	0.3	0.2	0.2 US\$/kg	041
2402 Cigars, cheroots, cigarillos and cigarettes.....		193.2	217.7	221.3	14.8	16.4	17.6 US\$/kg	122
8704 Motor vehicles for the transport of goods.....		232.4	105.4	106.9	20.6	17.1	24.3 thsd US\$/unit	782
8431 Parts suitable for use principally with the machinery of headings 84.25.....		180.6	102.3	137.1	18.7	22.0	19.3 US\$/kg	723
8517 Electrical apparatus for line telephony or line telegraphy.....		106.5	186.1	110.4				764
7304 Tubes, pipes and hollow profiles, seamless, of iron (other than cast iron).....		124.7	114.0	145.6	1.2	3.1	2.5 US\$/kg	679
1701 Cane or beet sugar and chemically pure sucrose, in solid form.....		92.7	105.7	180.1	0.3	0.3	0.5 US\$/kg	061
8429 Self-propelled bulldozers, angledozers, graders, levellers, scrapers.....		220.5	63.5	64.9	125.2	109.6	88.5 thsd US\$/unit	723
8705 Special purpose motor vehicles.....		199.4	58.7	80.6	192.3	134.7	218.4 thsd US\$/unit	782