



EUROPEAN CENTRAL BANK

EUROSYSTEM

Working Paper Series

Alina Mika Home sweet home:
the home bias in trade in the
European Union

No 20xx / Month 2017

Figure A3 – The home bias across time

	(1)	(2)
	Goods	Services
Home*2000	4.333*** (0.301)	6.471*** (0.319)
Home*2001	4.268*** (0.294)	6.377*** (0.307)
Home*2002	4.212*** (0.286)	6.251*** (0.299)
Home*2003	4.085*** (0.281)	5.994*** (0.292)
Home*2004	3.896*** (0.270)	5.806*** (0.273)
Home*2005	3.844*** (0.261)	5.685*** (0.258)
Home*2006	3.716*** (0.249)	5.597*** (0.247)
Home*2007	3.639*** (0.240)	5.482*** (0.228)
Home*2008	3.628*** (0.232)	5.439*** (0.219)
Home*2009	3.781*** (0.232)	5.519*** (0.227)
Home*2010	3.611*** (0.228)	5.387*** (0.234)
Home*2011	3.575*** (0.223)	5.358*** (0.232)
Home*2012	3.519*** (0.225)	5.298*** (0.235)
Home*2013	3.528*** (0.218)	5.300*** (0.233)
Home*2014	3.520*** (0.221)	5.307*** (0.230)
Nominal GDP	1.052*** (0.064)	1.591*** (0.071)
Reporter population	-2.353*** (0.309)	-0.531 (0.349)
Partner population	-0.105 (0.283)	0.730** (0.338)
	-1.252***	-0.972***

Weighted distance	(0.019)	(0.021)
Partner resistance	-0.277 (0.188)	-0.115 (0.208)
Reporter resistance	0.221 (0.171)	0.439** (0.195)
Border	0.973*** (0.033)	0.980*** (0.036)
Official language	0.255*** (0.049)	-0.148*** (0.050)
Euro	-0.056** (0.024)	0.118*** (0.030)
EU	0.152*** (0.035)	0.251*** (0.040)
Constant	-2.538 (3.593)	-9.295** (4.326)

Observations	11,760	11,760
R-squared	0.928	0.888

*** p<0.01, ** p<0.05, * p<0.1

Robust standard errors in parentheses.

Exporter, importer, and time fixed effects were used

Figure A4 – The home bias across the EU

	(1)	(2)
	Goods	Services
Home*AUT	3.645*** (0.050)	4.991*** (0.075)
Home*BEL	2.091*** (0.063)	4.207*** (0.088)
Home*BGR	5.350*** (0.189)	7.406*** (0.219)
Home*CYP	5.455*** (0.110)	3.351*** (0.171)
Home*CZE	4.122*** (0.125)	6.523*** (0.171)
Home*DEU	1.626*** (0.057)	4.251*** (0.061)
Home*DNK	3.568*** (0.059)	4.843*** (0.072)
Home*ESP	2.200*** (0.062)	4.382*** (0.105)
Home*EST	4.771*** (0.175)	6.713*** (0.250)
Home*FIN	2.724*** (0.072)	5.588*** (0.085)
Home*FRA	2.344*** (0.054)	5.302*** (0.068)
Home*GBR	1.951*** (0.071)	3.582*** (0.075)
Home*GRC	4.240*** (0.100)	5.969*** (0.117)
Home*HRV	5.626*** (0.117)	7.974*** (0.128)
Home*HUN	3.643*** (0.130)	5.838*** (0.136)
Home*IRL	2.692*** (0.102)	3.828*** (0.119)
Home*ITA	2.639*** (0.039)	5.105*** (0.063)
Home*LTU	5.228*** (0.205)	7.899*** (0.216)
Home*LUX	5.774*** (0.082)	4.341*** (0.117)
Home*LVA	5.549*** (0.179)	7.154*** (0.203)
Home*MLT	5.983*** (0.106)	4.365*** (0.135)

Home*NLD	1.956*** (0.073)	4.242*** (0.079)
Home*POL	3.613*** (0.077)	5.847*** (0.167)
Home*PRT	2.524*** (0.089)	6.373*** (0.101)
Home*ROU	4.772*** (0.209)	6.996*** (0.249)
Home*SVK	4.827*** (0.109)	7.999*** (0.168)
Home*SVN	5.294*** (0.100)	7.798*** (0.127)
Home*SWE	2.327*** (0.060)	4.421*** (0.091)
Nominal GDP	1.066*** (0.059)	1.608*** (0.067)
Reporter population	-2.391*** (0.291)	-0.554* (0.335)
Partner population	-0.144 (0.264)	0.706** (0.322)
Weighted distance	-1.253*** (0.019)	-1.022*** (0.021)
Partner resistance	-0.275 (0.180)	-0.127 (0.201)
Reporter resistance	0.223 (0.161)	0.428** (0.188)
Border	0.958*** (0.034)	0.982*** (0.038)
Official language	0.217*** (0.052)	-0.282*** (0.051)
Euro	-0.039* (0.024)	0.119*** (0.030)
EU	0.124*** (0.034)	0.216*** (0.038)
Constant	-2.441 (3.467)	-9.056** (4.255)

Observations	11,760	11,760
R-squared	0.935	0.897

*** p<0.01, ** p<0.05, * p<0.1

Robust standard errors in parentheses.

Exporter, importer, and time fixed effects were used

Acknowledgements

Many thanks to Christian Spielmann, Ettore Dorrucci and Jakub M. Rybak.

Alina Mika

European Central Bank, Frankfurt am Main, Germany; email: alina.mika@ecb.europa.eu

© European Central Bank, 2017

Postal address 60640 Frankfurt am Main, Germany
Telephone +49 69 1344 0
Website www.ecb.europa.eu

All rights reserved. Any reproduction, publication and reprint in the form of a different publication, whether printed or produced electronically, in whole or in part, is permitted only with the explicit written authorisation of the ECB or the authors.

This paper can be downloaded without charge from www.ecb.europa.eu, from the [Social Science Research Network electronic library](#) or from [RePEc: Research Papers in Economics](#). Information on all of the papers published in the ECB Working Paper Series can be found on the [ECB's website](#).

ISSN	xxxx-xxxx (pdf)	DOI	xx.xxxx/xxxxxx (pdf)
ISBN	978-xx-xxx-xxxx-x (pdf)	EU catalogue No	QB-xx-xx-xxx-EN-N (pdf)