



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

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

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Alina Mika

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

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

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