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wir freuen uns, Sie per Newsletter über die neuesten Entwicklungen des FIW-Projekts informieren zu dürfen.

Dieses Mal mit folgendem Inhalt:

- FIW Studien 2012/13: Nr. 5 "Pattern, Determinants and Dynamics of Austrian Service Exports – A Firmlevel Analysis" veröffentlicht
- FIW Studien 2013: Nr. 1 "The Effects of Production Offshoring on R&D and Innovation in the Home Country" veröffentlicht
- Update FIW-Statistiken
- Neue FIW-Working Papers veröffentlicht

#### **FIW Studien 2012/13: Nr. 5 "Pattern, Determinants and Dynamics of Austrian Service Exports – A Firmlevel Analysis" veröffentlicht**

Die FIW-Studien 2012/13 zeigen die Ergebnisse von den vier Themenbereichen "Mikrodaten und Außenwirtschaft", "Modellierung der Auswirkungen von EU-Freihandelsabkommen", "Die Wirtschaftskrise und internationale Makroökonomie" und "Umwelt, Umwelttechnologie und Außenwirtschaft", die im Rahmen des "Forschungsschwerpunkts Internationale Wirtschaft" (FIW) Ende 2011 vom Bundesministerium für Wirtschaft, Familie und Jugend (BMWFJ) ausgeschrieben und aus Mitteln der Internationalisierungsoffensive finanziert wurden.

Die FIW-Studie "Pattern, Determinants and Dynamics of Austrian Service Exports – A Firmlevel Analysis" von Yvonne Wolfmayr, Elisabeth Christen und Michael Pfaffermayr wurde veröffentlicht und steht online zur Verfügung unter:  
<http://www.fiw.ac.at/index.php?id=711>

#### **FIW Studien 2013: Nr. 1 "The Effects of Production Offshoring on R&D and Innovation in the Home Country" veröffentlicht**

Die FIW-Studien 2013 zeigen die Ergebnisse von den drei Themenbereichen "Trends und Auswirkungen von ausländischen Direktinvestitionen", "Österreichs "Trade in Value Added"" und "Analyse der österreichischen Warenverkehrsbilanz", die im Rahmen des "Forschungsschwerpunkts Internationale Wirtschaft" (FIW) 2012 vom Bundesministerium für Wirtschaft, Familie und Jugend (BMWFJ) ausgeschrieben und aus Mitteln der Internationalisierungsoffensive finanziert wurden.

Die FIW-Studie "The Effects of Production Offshoring on R&D and Innovation in the Home Country" von Bernhard Dachs und Bernd Ebersberger wurde veröffentlicht und steht online zur Verfügung unter:  
<http://www.fiw.ac.at/index.php?id=740#c11915>

#### **Update der FIW-Statistiken**

Die FIW-Statistiken wurden aktualisiert. Diese aktuellen Statistiken zur Außenwirtschaft bieten einen schnellen Überblick über die wichtigsten Kennzahlen und Indikatoren zum Außenhandel, übersichtlich und in grafischer Form dargestellt. Die zugrunde liegenden Datenreihen können als Excel-Files abgerufen werden.  
Zu den FIW Statistiken: <http://www.fiw.ac.at/index.php?id=606>

### **Neue FIW-Working Papers veröffentlicht**

Die FIW Working Papers Nr. 123 und Nr. 125 wurden veröffentlicht und können unter folgendem Link heruntergeladen werden: <http://www.fiw.ac.at/index.php?id=545>

#### **WP Nr. 123: Nidhaledine Ben Cheikh: “The Pass-Through of Exchange Rate in the Context of the European Sovereign Debt Crisis”**

This paper investigates whether the exchange rate pass-through (ERPT) to CPI inflation is a nonlinear phenomenon for five heavily indebted euro area (EA) countries, namely the so-called GIIPS group (Greece, Ireland, Italy, Portugal, and Spain). Using logistic smooth transition models, we explore the existence of nonlinearity with respect to sovereign bond yield spreads (versus German) as an indicator of confidence crisis/macroeconomic instability. Our results provide strong evidence that the extent of ERPT is higher in periods of macroeconomic distress, i.e. when sovereign bond yield spreads exceed some threshold. For all the GIIPS countries, we reveal that the increasing of macroeconomic instability and the loss of confidence during the recent sovereign debt crisis has entailed a higher sensibility of CPI inflation to exchange rate movements.

#### **WP Nr. 124: Sergey Kichko, Sergey Kokovin und Evgeny Zhelobodko: “Trade Patterns and Export Pricing Under Non-CES Preferences”**

We develop a two-factor, two-sector trade model of monopolistic competition with variable elasticity of substitution. Firm profit and firm size may increase or decrease with market integration depending on the degree of asymmetry between countries. The country in which capital is relatively abundant is a net exporter of the manufactured good, while both firms' size and profits are lower in this country than in the country where capital is relatively scarce. By contrast, the pricing policy adopted by firms does not depend on capital endowment and country asymmetry. It is determined by the nature of preferences: when demand elasticity increases (decreases) with consumption, firms practice dumping (reverse-dumping).

#### **WP Nr. 125: Benjamin Furlan, Martin Gächter, Bob Krebs und Harald Oberhofer: “Democratization and real exchange rates”**

This paper empirically assesses how democratization affects real exchange rates. By doing this, we combine so far separated strands of the economic literature and argue that democratization reduces currency undervaluation leading to a real exchange rate appreciation. We test this hypothesis empirically for a sample of countries observed from 1980 to 2007 by combining a difference-in-difference (DID) approach with propensity score matching (PSM) estimators. Our results reveal a strong and significant finding: democratization causes real exchange rates to appreciate. Consequently, the ongoing process of democratization observed in a few Arabic and Moslem countries is likely to reduce exchange rate distortions.

Mit freundlichen Grüßen

Pia Kranawetter  
(FIW – Projektbüro)

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FIW - Ein Kooperationsprojekt von WIFO, wiiw und WSR  
Im Rahmen der Internationalisierungsoffensive der Bundesregierung (BMWFJ)

Dear Sir or Madam,

we are pleased to inform you about the latest news of the FIW project.

In this issue:

- FIW Research Reports 2012/13: No. 5: "Pattern, Determinants and Dynamics of Austrian Service Exports – A Firmlevel Analysis" published
- FIW Research Reports 2013: No. 1: "The Effects of Production Offshoring on R&D and Innovation in the Home Country" published
- Update FIW Statistics
- New FIW-Working Papers

#### **FIW Research Reports 2012/13: No. 5: "Pattern, Determinants and Dynamics of Austrian Service Exports – A Firmlevel Analysis" published**

The FIW Research Reports 2012/13 show the results of the four topic areas "Micro data and foreign trade", "Modelling the impact of EU Free Trade Agreements", "The economic crisis and international macroeconomics" and "Environment, Environmental Technology and Foreign Trade" that were announced in 2011 by the Austrian Federal Ministry of Economics, Family and Youth (BMWFJ) within the framework of the "Research Centre International Economics" (FIW) and funded by the "Internationalisation Initiative".

The FIW-Research Report "Pattern, Determinants and Dynamics of Austrian Service Exports – A Firmlevel Analysis" by Yvonne Wolfmayr, Elisabeth Christen and Michael Pfaffermayr has been published and is available online for free:

<http://www.fiw.ac.at/index.php?id=711&L=3>

#### **FIW Research Reports 2013: No. 1: "The Effects of Production Offshoring on R&D and Innovation in the Home Country" published**

The FIW Research Reports 2013 show the results of the three topic areas "Trends and effects of foreign direct investment", "Austria's Trade in Value Added" and "Analysis of the Austrian trade balance" that were announced in 2012 by the Austrian Federal Ministry of Economics, Family and Youth (BMWFJ) within the framework of the "Research Centre International Economics" (FIW) and funded by the "Internationalisation Initiative".

The FIW-Research Report "The Effects of Production Offshoring on R&D and Innovation in the Home Country" by Bernhard Dachs and Bernd Ebersberger has been published and is available online for free:

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### **Update of FIW-Statistics**

We updated the FIW-Statistics. The "Current FIW-Statistics on International Trade" offer a clear and graphical overview on key data and indices reflecting current international developments on international trade. <http://www.fiw.ac.at/index.php?id=606>

### **New FIW-Working Papers**

New FIW Working Papers have been published and are available on the FIW-Website: <http://www.fiw.ac.at/index.php?id=545&L=3>

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Kind regards,  
Pia Kranawetter  
(FIW Project Office)

In the framework of the Austrian Federal Government's "Internationalisation Initiative"