

## **The impact of real effective exchange rate of RMB on China's export and value-added export**

Topic: 814Z International Trade (3)

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As China's international trade surplus growth continuously, China is now under great international pressure to let its currency appreciate. How does China's export change if RMB appreciate? Based on the time series data from 1990 to 2015, the impact of real effective exchange rate of RMB on China's export was analyzed, using econometric analysis methods like regression model. And its influence on value-added export was further analyzed utilizing Chinese DPN table of the year 2010, detailed export structure in 2013 and export data in 2015. The result showed that every 1% appreciation of RMB would decrease China's value-added export by 0.52% and 0.72%, before and after 2005 respectively; REER becomes even more important to China's export after the establishment of new floating exchange rate system; China's export will decrease 16.45 billion dollars and finally the 1% increase of REER will decrease domestic value added by 11.28 billion dollars, based on export data in 2015.

Keywords: the RMB exchange rate, export, value added, DPN table