

The **Grubel–Lloyd Index** measures intra-industry trade of a particular product. It was introduced by Herb Grubel and Peter Lloyd in 1971. It is calculated as

$$GL_i = \frac{(X_i + M_i) - |X_i - M_i|}{X_i + M_i} = 1 - \frac{|X_i - M_i|}{X_i + M_i} \quad ; \quad 0 \leq GL_i \leq 1$$

where X_i denotes the export, M_i the import of good i .

If $GL_i = 1$, there is only intra-industry trade, no inter-industry trade. This means the country in consideration exports as much of good i as at it imports. Conversely, if $GL_i = 0$, there is no intra-industry trade, only inter-industry trade. This would mean that the country in consideration either only exports or only imports good i .

Some Data on International Trade in Armenia in 2013 (in mln USD)				
Codes	Article	Exports	Imports	Grubel–Lloyd Index
0207	Poultry	0.1	48	0.01
0302	Fish (fresh or frozen)	17	0.1	0.01
2402	Cigars and cigarettes	68	61	0.95
2523	Cement	12	0.6	0.10
2603	Copper ore	280	0.0	0.00
2710	Oil and oil products	0.0	342	0.00
2716	Electricity	79	4	0.09
3923	Plastic boxes and wraps	6	9	0.76
6203	Men's clothing	10	9	0.97
6802	Monumental or building stone	7	8	0.92
6908	Ceramic paving and tiles	0.0	17	0.00
7010	Glass bottles and jars	17	15	0.94
7102	Diamonds	88	116	0.86
8703	Automobile	4	254	0.03
9403	Furniture	0.1	19	0.01

Source: RA Customs Service and own calculations for GLI