ABSTRACT

Manufacturing export performance across emerging economies continues to vary considerably, reflecting differences in production capacity, logistics performance, and relative price conditions across countries. This condition indicates that manufacturing exports are associated not only with the ability to produce output, but also with distribution efficiency and changes in the real exchange rate in international trade. Therefore, this study aims to analyze the effects of logistics infrastructure performance, production capacity, and the real exchange rate on manufacturing exports in emerging economies during the 2007–2022 period. Logistics performance is measured using the overall Logistics Performance Index (LPI) and its six components, production capacity is represented by Gross Fixed Capital Formation (GFCF), manufacturing employment, and technology, while the real exchange rate is measured using the Real Effective Exchange Rate.

This study uses panel data from 42 emerging economies over seven observation periods. The analysis applies panel data regression through several model specifications to examine the overall LPI and each of its components together with production capacity and real exchange rate. The model selection results indicate that the Fixed Effect Model (FEM) is used for all research models, with the final estimations employing robust standard errors.

The results show that the overall LPI has a positive and significant effect on manufacturing exports at the 1 percent level. The customs, infrastructure, logistics competence, and tracking and tracing components also have positive and significant effects at the 1 percent level, while international shipments is significant at the 5 percent level. In contrast, timeliness does not have a significant effect. In terms of production capacity, GFCF and technology have positive and significant effects at the 1 percent level across all models, while manufacturing employment also shows a positive and significant effect at a lower level of statistical significance. Meanwhile, the real exchange rate, generally shows a negative coefficient but has no significant effect on manufacturing exports. This study concludes that logistics performance and production capacity show more consistent effects on manufacturing exports in emerging economies, while changes in the real exchange rate do not show a significant effect during the study period.

Keywords: *Manufacturing Exports, Logistics Performance, Production Capacity, Real Exchange Rate, Emerging economies*
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