

COMMENTARY

Trend in October 2013

Month-on-month comparison:

Exports: export prices decreased by 0.7% (-0.1% in September). The change of the total m-o-m export price index was driven mainly by a 0.5% price drop in 'machinery and transport equipment'. Among important sections biggest price drop occurred in 'mineral fuels, lubricants and related materials' (-4.4%), 'chemicals and related products' (-2.0%) and 'manufactured goods classified chiefly by material' (-0.6%). Highest price growth was registered in 'beverages and tobacco' (+5.1%) and 'miscellaneous manufactured articles' (+0.3%).

Imports: import prices fell 1.1% (-0.2% in September). The change of the total m-o-m import price index was driven mainly by a 3.4% price drop in 'mineral fuels, lubricants and related materials'. Another price drop was registered in prices of 'food and live animals' (-1.5%), 'manufactured goods classified chiefly by material' (-0.9%) and 'machinery and transport equipment' (-0.8%). Only price growth was registered in 'beverages and tobacco' (+0.4%).

The **terms of trade** grew to 100.4% (100.1% in September). Positive values among important sections reached prices of 'miscellaneous manufactured articles' (100.8%), 'machinery and transport equipment' (100.3%) and 'manufactured goods classified chiefly by material' (100.3%). Negative values of the terms of trade figures reached 'chemicals and related products' (98.6%) and 'mineral fuels, lubricants and related materials' (99.0%).

Year-on-year comparison:

Exports: export prices decreased by 0.1% (+1.1% in September). The change of the total y-o-y export price index was driven mainly by a 6.3% price drop in 'mineral fuels, lubricants and related materials'. Among important sections, prices prominently dropped in 'crude materials, inedible, except fuels' (-4.4%, mainly influenced by metal scrap price drop), 'chemicals and related products' (-2.2%) and 'food and live animals' (-1.8%). Biggest price drop occurred in 'beverages and tobacco' (+14.6%), 'miscellaneous manufactured articles' (+1.2%) and 'machinery and transport equipment' (+1.0%).

Imports: import prices decreased by 1.7% (-0.3% in September), the price fall was influenced by strengthening of czech koruna against dollar. Change of the total y-o-y import price index came mainly from a 9.0% price drop in 'mineral fuels, lubricants and related materials'. Prices of 'crude materials, inedible, except fuels' (especially rubber), 'chemicals and related products' and 'machinery and transport equipment' fell 6.1%, 2.2% and 0.6%, respectively. Significant price growth among important sections was registered in 'food and live animals' (+4.1%) and 'miscellaneous manufactured articles' (+1.3%).

The **terms of trade** figures increased to 101.6% (101.4% in September) staying in positive values for tenth month. Among important sections, highest positive values of the terms of trade figures were registered in 'mineral fuels, lubricants and related materials' (103.0%), 'crude materials, inedible, except fuels' (101.8%), 'machinery and transport equipment' (101.6%) and 'manufactured goods classified chiefly by material' (100.4%). Negative values of the terms of trade figures reached 'food and live animals' (94.3%) and 'miscellaneous manufactured articles' (99.9%).