

## External trade in December 2007

According to preliminary data for December, seasonally adjusted exports increased by 0.7% while imports decreased by 5.7%, **month-on-month**. The trend component rose by 0.7% in exports and dropped by 0.3% in imports.

**Year-on-year**, exports at current prices grew by 5.2% and imports by 3.6%. The rate of growth was the lowest since April 2006 in exports and since July 2005 in imports. The external trade turnover was lower than in any other month of the year 2007 (the results were influenced by a lower number of working days). Due to appreciation of the koruna against the euro and even more against the US dollar, external trade grew faster in euros (exports +11.1%, imports +9.4%) and in US dollars (exports +22.6%, imports +20.7%) than in korunas.

The trade balance reached a deficit of CZK 1.1 billion, which was the smallest December deficit since 1993. In comparison to December 2006 it was by CZK 2.6 billion better result. Trade balance with EU27 states was active by CZK 27.7 billion and with non-EU27 states passive by CZK 28.8 billion.

Trade balance developed favourably in 'machinery and transport equipment' (surplus up by CZK 4.4 billion). Deficit turning into a surplus improved the trade balances in 'manufactured goods classified chiefly by material' and 'crude materials, inedible, except fuels' by CZK 1.7 billion and CZK 0.4 billion, respectively. Deficit decreased in trade in 'food and live animals' by CZK 0.2 billion. On the other hand, surplus fell in trade in 'miscellaneous manufactured articles' (by CZK 1.9 billion) and deficits deepened in trade in 'chemicals and related products' (by CZK 0.9 billion), 'mineral fuels, lubricants and related materials' (by CZK 0.8 billion) and 'beverages and tobacco' (by CZK 0.5 billion).

Exports of 'machinery and transport equipment' grew by 7.9% (CZK 7.4 billion), of which the highest export increases were registered in 'telecommunications and sound-recording equipment' (CZK 5.3 billion), 'road vehicles' (CZK 2.8 billion) and 'electrical machinery, apparatus and appliances' (CZK 1.6 billion). Total imports of 'machinery and transport equipment' were up by 3.9% (CZK 3.0 billion). The highest increases were achieved in 'telecommunications and sound-recording equipment' (CZK 3.2 billion) and 'road vehicles' (CZK 1.5 billion). External trade in 'office machines and automatic data-processing machines' dropped (exports by CZK 3.4 billion and imports by CZK 3.1 billion).

Total imports of 'mineral fuels, lubricants and related materials' rose by 14.4% (CZK 2.2 billion). Imports of natural gas increased by 0.9% in value and by 12.1% in volume. Imports of petroleum products and related materials were up by 29.6% in value and by 10.6% in volume; imports of crude petroleum were down (-5.3% in value, -23.2% in volume) year-on-year.

By group of countries, trade surplus with EU27 states rose by CZK 6.4 billion and trade deficit with non-EU27 states increased by CZK 3.8 billion. Balance improved as deficit turned into a surplus in trade with the Netherlands (by CZK 2.5 billion) and Italy (by CZK 1.2 billion) and deficit decreased in trade with the Russian Federation (by CZK 1.1 billion). Trade surplus grew with Slovakia (by CZK 1.7 billion), the United Kingdom (by CZK 0.8 billion) and Romania (by CZK 0.6 billion). Trade deficit rose with China (by CZK 1.8 billion), Japan (by CZK 1.6 billion) and Korea (by CZK 0.7 billion). Trade balance with the United States deteriorated (by CZK 1.6 billion) as surplus turned into a deficit, and trade surplus fell with Poland (by CZK 0.5 billion) and Germany (by CZK 0.3 billion).

In the **year 2007**, compared with the previous twelve months, exports and imports grew by 15.0% and 13.1% respectively. The trade balance reached a surplus of CZK 86.1 billion, which was in comparison to the year 2006 (CZK 39.8 billion) by CZK 46.3 billion higher.

Favourable development was reported for trade in 'machinery and transport equipment' (surplus up by CZK 35.9 billion), 'mineral fuels, lubricants and related materials' (deficit down by CZK 16.4 billion), 'crude materials, inedible, except fuels' (improvement by CZK 11.9 billion as deficit turned into a surplus), 'miscellaneous manufactured articles' (surplus up by CZK 6.3 billion) and 'beverages and tobacco' (deficit down by CZK 1.2 billion). Trade balance deteriorated in 'chemicals and related products' (deficit up by CZK 13.6 billion), 'manufactured goods classified chiefly by material' (surplus down by CZK 10.6 billion) and 'food and live animals' (deficit up by CZK 1.9 billion).

By group of countries, trade surplus with EU27 states rose by CZK 71.7 billion and trade deficit with non-EU27 states increased by CZK 25.4 billion. Deficit decreased in trade with the Russian Federation (by CZK 28.3 billion); surplus rose in trade with Slovakia (by CZK 23.8 billion), Germany (by CZK 12.6 billion), the United Kingdom (by CZK 12.4 billion), Poland (by CZK 9.0 billion), Italy (by CZK 5.5 billion) and France (by CZK 5.4 billion). Trade balance improved with Norway (by CZK 8.9 billion) as deficit turned into a surplus. Trade deficit grew with China (by CZK 51.5 billion), Japan (by CZK 12.4 billion), Ireland (by CZK 5.2 billion) and Thailand (by CZK 4.6 billion). Trade surplus with Austria fell by CZK 6.0 billion, and trade balance with the United States deteriorated (by CZK 4.3 billion) as surplus turned into a deficit.

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According to the note of the Directorate General of Customs, data were received from 95.0 % of the companies obliged to report to the Intrastat system.

Data on companies exempted from the reporting duty (those whose annual value of trade with the EU member states was below CZK 4 million for goods dispatched and below CZK 2 million for goods received) and data on companies that failed to report were imputed. The imputation methods are based on data that the companies supplied in the previous period and on data from tax returns.