

Commentary

In the first half of 2009 external trade turnover showed a significant year-on-year drop. Compared to the first half of 2008 the turnover fell by 20.2% (CZK -513.0 bn) due to a year-on-year decrease of exports by 19.2% and imports by 21.3%. Declining exports and imports contributed to a year-on-year decrease of external trade turnover by 48.7% and 51.3% respectively. External trade balance yielded a surplus of CZK 77.1 bn.

Exports and imports of manufacturing industries (items CPA 15 to CPA 36) had a prevailing impact on the external trade by CPA results. Exports and imports of manufacturing industries fell in the first half of 2009 compared to the first half of 2008 by 20.3% (CZK 253.9 bn) and 21.0% (CZK 231.9 bn) respectively. Compared the first half of the 2008 to the first half of 2009, the share of manufacturing industries weakened in total exports (from 96.5% to 95.2%) and it grew slightly in total imports (from 89.5% to 89.9%). Owing to depreciation of the CZK against EUR and even more against USD exports and imports of output of manufacturing industries decreased in euros (-26.0% and -26.6% respectively) and in US dollars (-35.6% and -36.2% respectively).

In exports of output of manufacturing industries, 'motor vehicles, trailers and semi-trailers' maintained the most important share of 17.7% (but -0.2 p.p. lower year-on year) and recorded a fall in exports by 20.0% (CZK -46.5 bn) compared to the first half of 2008. Further items of CPA with significant share in exports were 'machinery and equipment n.e.c.', 'office machinery and computers', 'radio, television and communication equipment and apparatus' and 'chemicals, chemical products and man-made fibres'. These items (except of 'chemicals, chemical products and man-made fibres') also registered decreases in exports and in shares in the total exports in comparison to the first half of 2008.

The most important commodity in imports of output of manufacturing industries remained (with a share of 11.0%; 0.9 p.p. higher year-on-year) 'chemicals, chemical products and man-made fibres' showing a 14.4% fall in imports year-on-year. Imports were also significantly represented by 'motor vehicles, trailers and semi-trailers', 'machinery and equipment n.e.c.', 'radio, television and communication equipment and apparatus', 'basic metals and fabricated metal products' and 'office machinery and computers'. In addition to output of manufacturing industries, further item of CPA of important share in the total imports was 'crude petroleum and natural gas'. All these mentioned commodities showed a year-on-year decline.

Trade surplus in output of manufacturing industries amounted to CZK 125.5 bn. It was by CZK 22.0 bn lower year-on-year, but it further kept its majority share in the total external trade surplus. All important commodities recorded year-on-year decreases in trade surplus: 'motor vehicles, trailers and semi-trailers' (by CZK -9.7 bn), 'electrical machinery and apparatus' (by CZK -9.3 bn), 'machinery and equipment n.e.c.' (by CZK -5.2 bn) and 'office machinery and computers' (by CZK -3.1 bn). In output of manufacturing industries the largest deficit showed 'chemicals, chemical products and man-made fibres' and 'basic metals and fabricated metal products'; both items recorded a drop of deficit (by CZK 9.5 bn and CZK 16.6 bn respectively). Trade gap rose by CZK 5.2 bn in 'radio, television and communication equipment and apparatus'. In output of non-manufacturing industries a high deficit (down by 23.4 bn year-on-year) was posted in 'crude petroleum and natural gas'.

In the first half of 2009, the same as in the first half of 2008 the largest part of output of manufacturing industries was traded with EU member states. In the first half of 2009 manufacturing industries exports to EU and imports from EU amounted to 84.7% and 70.5% of total exports and imports respectively (85.3% and 74.1% in the first half of 2008 respectively). Manufacturing industries exports to EU was by 21.0% lower and manufacturing industries imports from EU dropped by 24.8% year-on-year. The most important positions in exports to EU held 'motor vehicles, trailers and semi-trailers', 'machinery and equipment n.e.c.', 'radio, television and communication equipment and apparatus' and 'office machinery and computers'; in imports from EU prevailed 'chemicals, chemical products and man-made fibres', 'motor vehicles, trailers and semi-trailers', 'machinery and equipment n.e.c.' and 'basic metals and fabricated metal products'. Output of manufacturing industries balance of trade with EU member states ended in a surplus of CZK 228.8 bn in the first half of 2009 against CZK 250.4 bn in the first half of 2008. It influenced positively the total external trade balance in products of manufacturing industries and the total external trade balance.

Shares of other groups of countries in external trade with products of manufacturing industries were markedly lower. Developing economies and European transition economies and CIS took share in the total exports of manufacturing industries by 4.1% and 4.3% respectively and in the total imports of manufacturing industries by 7.1% and 1.3% respectively. Output of manufacturing industries balance of trade with developing economies ended in a deficit of CZK 21.0 bn in the first half of 2009 opposed to CZK 24.8 bn in the first half of 2008; and with European transition economies and CIS achieved a surplus of CZK 30.9 bn in the first half of 2009 compared to CZK 38.4 bn in the first half of 2008.

According to final data for 2008, the total external trade balance yielded a surplus of CZK 67.2 bn, of which the external trade balance with products of manufacturing industries amounted to CZK 238.2 bn. The updated data showed the total trade balance reached a CZK 77.1 bn surplus in the first half of 2009, of which the trade surplus of manufactures industries products amounted to CZK 125.5 bn.