External trade in November 2008

According to preliminary data, seasonally adjusted exports fell by 4.3% and imports by 7.9%, **month-on-month**. The development trend shows decreasing exports (-2.1%) and imports (-0.8%).

Year-on-year, exports and imports at current prices were down by 18.0% and 13.2% respectively. The figures were affected by November 2008 being by three working days shorter than November 2007 and by the high comparative basis of November 2007 (the second highest monthly turnover in 2007). Decrease in exports exceeded decrease in imports for the third successive month; the year-on-year fall of exports in November 2008 was the highest in the history of the Czech Republic. Due to appreciation of the *koruna* against euro and depreciation against US dollar, external trade decrease was lower in euros (exports -12.9%, imports -7.8%) and higher in US dollars (exports -24.5%, imports -20.0%).

The trade balance reached a deficit of CZK 0.5 billion, which was by CZK 13.0 billion worse result in comparison to November 2007 and the biggest negative year-on-year balance change since 1994. Except for the years 2004–2007, November trade balance was always in the red. The trade balance with EU member states was active by CZK 39.2 billion and with non-EU countries passive by CZK 39.7 billion.

The trade balance was negatively influenced by a fall of CZK 8.3 billion in trade surplus in 'machinery and transport equipment'. Trade deficit in 'mineral fuels, lubricants and related materials' grew by CZK 2.4 billion, trade surplus in 'miscellaneous manufactured articles' dropped by CZK 2.3 billion and surplus in 'manufactured goods classified chiefly by material' decreased by CZK 1.1 billion; the trade balance in 'crude materials, inedible, except fuels' deteriorated by CZK 1.3 billion as surplus turned into a deficit. A CZK 2.2 billion decrease in trade deficit in 'chemicals and related products' and CZK 0.5 billion improvement in 'beverages and tobacco' due to deficit turning into a surplus were among the favourable effects on the total trade balance. Trade balance in 'food and live animals' remained roughly at the level of November 2007.

Total exports of 'machinery and transport equipment' fell by 21.4% (CZK -28.5 billion). The highest exports decreases were recorded in 'road vehicles' (CZK -10.7 billion), 'electrical machinery, apparatus and appliances' (CZK -4.4 billion) and 'office machines, automatic data-processing machines (CZK -4.1 billion). Total imports of 'machinery and transport equipment' decreased by 19.6% (CZK -20.2 billion); considerable import decreases were registered in 'road vehicles' (CZK -4.9 billion), 'telecommunications and sound-recording equipment' (CZK -3.1 billion) and 'electrical machinery, apparatus and appliances' (CZK -2.8 billion). The trade balance of 'machinery and transport equipment' was most unfavourably affected by a drop in surplus in 'road vehicles' by CZK 5.8 billion. Imports of 'mineral fuels, lubricants and related materials' grew by 22.0% (CZK +3.7 billion) mainly due to higher imports of crude petroleum (+114.4% in value, +86.8% in volume). Imports of natural gas increased by 24.9% in value and dropped by 21.6% in volume. Exports of 'mineral fuels, lubricants and related materials' rose by 20.4% (CZK +1.4 billion).

By group of countries, trade surplus with EU member states fell by CZK 6.5 billion and trade deficit with non-EU countries increased by CZK 6.5 billion. Trade surplus grew with Germany (by CZK 3.0 billion), Austria (by CZK 0.9 billion), Denmark and the Netherlands (both by CZK 0.4 billion). Trade deficit dropped with Japan (by CZK 1.9 billion), the United States (by CZK 1.3 billion) and Taiwan (by CZK 0.8 billion). Trade deficit rose with the Russian Federation (by CZK 3.2 billion) and China (by CZK 1.2 billion); trade surplus decreased with Italy (by CZK 2.2 billion), Slovakia (by CZK 1.5 billion), the United Kingdom (by CZK 1.4 billion), Spain and the Ukraine (both by CZK 1.3 billion). Trade balance deteriorated with Norway (by CZK 3.1 billion) and Hungary (by CZK 1.7 billion) as deficit turned into a surplus.

In the **twelve months to November 2008**, compared with the previous twelve months, exports and imports grew by 0.6% and 1.0% respectively. The trade balance reached a surplus of CZK 78.4 billion, which was by CZK 8.6 billion down. Trade balance improved in 'machinery and transport equipment' (surplus up by CZK 26.2 billion), 'manufactured goods classified chiefly by material' (surplus up by CZK 8.3 billion), 'food and live animals' (deficit down by CZK 4.4 billion), 'beverages and tobacco' (improvement by CZK 3.6 billion owing to deficit turning into a surplus) and 'chemicals and related products' (deficit down by CZK 2.1 billion). Trade balance deteriorated in 'mineral fuels, lubricants and related materials' (deficit up by CZK 39.9 billion), 'miscellaneous manufactured articles' (surplus down by CZK 10.3 billion) and 'crude materials, inedible, except fuels' (surplus down by CZK 2.8 billion).

By group of countries, trade surplus with EU member states rose by CZK 78.3 billion and trade deficit with non-EU countries increased by CZK 86.9 billion. Surplus rose in trade with Germany (by CZK 22.7 billion), France (by CZK 9.8 billion), Poland (by CZK 8.1 billion), Slovakia (by CZK 7.2 billion) and Romania (by CZK 5.3 billion). Trade balance improved with the Netherlands (by CZK 19.6 billion) where deficit turned into a surplus. Trade deficit grew with the Russian Federation (by CZK 26.6 billion), China (by CZK 24.7 billion), Japan (by CZK 5.9 billion), Korea (by CZK 4.9 billion), Kazakhstan (by CZK 4.8 billion) and Thailand (by CZK 4.7 billion). Trade surplus fell with Spain (by CZK 4.8 billion).

In **January–November 2008** exports and imports grew by 0.3% and 0.8% respectively. The trade surplus of CZK 81.2 billion decreased by CZK 9.5 billion, year-on-year.

According to the note of the Directorate General of Customs, data were received from 94.6 % 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.