

External trade in June 2008

According to preliminary data, seasonally adjusted exports increased by 1.3% and imports by 2.0%, **month-on-month**. The trend component shows increases in exports by 0.4% and imports by 0.1%.

Year-on-year, exports at current prices were CZK 1.7% up; imports fell by CZK 1.0%. Due to appreciation of the *koruna* against the euro and even more against the US dollar, external trade grew faster in euros (exports +19.4%, imports +16.2%) and US dollars (exports +38.4%, imports +34.6%) than in *korunas*.

The trade balance reached a surplus of CZK 13.9 billion, which is the second highest surplus since the start of the year. The trade balance in June was active and has been active continuously since 2004; compared with June 2007 the balance in June this year improved by CZK 5.8 billion. The trade balance with EU member states was active by CZK 43.6 billion and with non-EU countries the balance was passive by CZK 29.7 billion.

The trade balance was influenced favourably by increasing surplus in 'machinery and transport equipment' by CZK 5.8 billion (mainly due to falling imports), in 'manufactured goods classified chiefly by material' by CZK 1.9 billion and in 'crude materials, inedible, except fuels' by CZK 0.4 billion; a positive effect came also from decreasing deficit in 'chemicals and related products' by CZK 1.1 billion while a growing deficit in 'mineral fuels, lubricants and related materials' (by CZK 3.4 billion) produced a negative effect. The trade balance in 'miscellaneous manufactured articles', 'food and live animals' and 'beverages and tobacco' remained on the same level as in June 2007.

Total exports of 'machinery and transport equipment' rose by 0.8% (CZK +0.9 billion), of which the only increases were achieved in 'telecommunications and sound-recording equipment' (CZK +2.4 billion), and 'electrical machinery, apparatus and appliance' (CZK +0.8 billion). The biggest drop of exports was recorded in 'road vehicles' (CZK -1.3 billion) and 'office machines, automatic data-processing machines' (CZK -0.5 billion). Total imports of 'machinery and transport equipment' fell by 5.6% (CZK -4.9 billion). The highest decreases were registered in 'office machines, automatic data-processing machines' (CZK -1.3 billion), 'road vehicles' (CZK 1.1 billion) and 'power-generating machinery and equipment' (CZK -1.0 billion).

Imports of 'mineral fuels, lubricants and related materials' grew by 31.0% (CZK +5.1 billion) due to higher imports of natural gas (+40.5% in value, +13.7% in volume) and crude petroleum (+37.3% in value, +3.4% in volume). Exports of 'mineral fuels, lubricants and related materials' rose by 31.8% (CZK 1.7 billion), of which the biggest growth was recorded in 'petroleum, petroleum products and related materials' (by CZK 1.3 billion).

By group of countries, trade surplus with EU member states grew by CZK 8.8 billion and trade deficit with non-EU countries increased by CZK 3.0 billion. Trade surplus grew with Germany (by CZK 3.7 billion), Italy (by CZK 0.9 billion), Slovakia and Sweden (both by CZK 0.8 billion) and Austria (by CZK 0.6 billion). Trade balance improved with the Netherlands (by CZK 2.3 billion) as deficit turned into a surplus. Trade deficit rose with the Russian Federation (by CZK 1.6 billion), China (by CZK 1.3 billion) and Azerbaijan (by CZK 1.0 billion). Trade surplus fell with Spain (by CZK 1.3 billion) and the United Kingdom (by CZK 1.2 billion); and trade balance deteriorated with Norway (by CZK 0.5 billion) as surplus turned into a deficit.

In the **twelve months to June 2008**, compared with the previous twelve months, exports and imports grew by 9.3% and 8.3%, respectively. The trade balance reached a surplus of CZK 94.2 billion, which was by CZK 29.0 billion more.

The trade balance improved as a result of growing surplus in 'machinery and transport equipment' by CZK 43.7 billion, crude materials, inedible, except fuels' by CZK 3.9 billion, 'manufactured good classified chiefly by material' by CZK 2.6 billion and 'beverages and tobacco' by CZK 0.8 billion. Trade deficit decreased in 'food and live animals' by CZK 5.8 billion and 'animal and vegetable oils, fats and waxes' by CZK 0.6 billion. Trade balance deteriorated due to an increase in deficit in 'mineral fuels, lubricants and related materials' (by CZK 17.3 billion) and 'chemicals and related products' (by CZK 8.9 billion) and a decrease in surplus in 'miscellaneous manufactured articles' (by CZK 2.4 billion).

By group of countries, trade surplus with EU member states rose by CZK 85.3 billion and trade deficit with non-EU countries increased by CZK 56.3 billion. Trade balance improved with the Netherlands (by CZK 16.6 billion) as deficit turned into a surplus. Surplus rose in trade with France (by CZK 15.5 billion), Slovakia (by CZK 11.9 billion), Italy (by CZK 11.1 billion), Poland (by CZK 8.0 billion), Romania and the United Kingdom (both by CZK 7.0 billion), and the deficit in trade with the Russian Federation dropped (by CZK 3.5 billion). Trade deficit grew with China (by CZK 43.6 billion), Japan (by CZK 15.3 billion), Thailand (by CZK 7.5 billion), Korea (by CZK 5.6 billion) and Ireland (by CZK 4.2 billion). Trade surplus fell with Hungary (by CZK 5.6 billion).

In **January - June 2008** exports and imports grew by 5.2% and 4.8%, respectively. The trade balance surplus of CZK 64.4 billion was by CZK 7.2 billion higher, 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.