

## COMMENTARY

### Trend in August 2012

#### Month-on-month comparison:

- **Exports:** export prices decreased by 1.3% in August (+0.4% in July). The change of the total m-o-m export price index was driven mainly by a 1.6% price drop in 'machinery and transport equipment'. Among important sections, prices in 'manufactured good classified chiefly by material', 'chemicals and related products' and 'miscellaneous manufactured articles' went down by 1.2%, 0.9% and 0.5%, respectively. Prices increased only in 'mineral fuels, lubricants and related materials' (+1.4%).
- **Imports:** import prices fell by 0.4% (-0.5% in July). The change of the total m-o-m import price index was driven mainly by a 1.2% price drop in 'machinery and transport equipment'. Significant drops were recorded in 'crude materials, inedible, except fuels' (-3.0%), 'manufactured goods classified chiefly by material' (-1.3%) and 'miscellaneous manufactured articles' (-0.9%). Prices grew only in 'mineral fuels, lubricants and related material' (+4.1%).
- The **terms of trade** figures decreased to 99.1% (100.1% in July) and returned into negative values after four months. Significant negative values of the terms of trade figures were recorded in 'mineral fuels, lubricants and related materials' (97.4%), 'machinery and transport equipment' (99.6%) and 'chemicals and related products' (99.9%). Among important sections, significant positive values of the terms of trade figures reached 'crude materials, inedible, except fuels' (101.1%), 'miscellaneous manufactured articles' (100.4%) and 'manufactured goods classified chiefly by material' (100.1%).

#### Year-on-year comparison:

- **Exports:** export prices increased by 3.7% (+4.7% in July). The change of the total y-o-y export price index was driven mainly by a 4.7% price growth in 'machinery and transport equipment'. Among important sections, price growth was registered in 'miscellaneous manufactured articles' (+5.1%), 'chemicals and related products' (+2.4%) and 'manufactured goods classified chiefly by material' (+2.3%). Significant price drop was recorded in 'mineral fuels, lubricants and related materials' (-1.2%).
- **Imports:** import prices increased by 5.8% (+5.5% in July). The growth was supported by significant weakening koruna against dollar. Change of the total y-o-y import price index came mainly from a 20.5% price increase in 'mineral fuels, lubricant and related products' (+12.0% in July). Among important sections, prices were rising in 'machinery and transport equipment' (+4.8%), 'miscellaneous manufactured articles' (+3.9%) and 'chemicals and related products' (+3.5%). Price drop was registered only in 'crude materials, inedible, except fuels' (-4.6%).
- The **terms of trade** fell to 98.0% (99.2% in July) and they have stayed in negative values for the thirty-third straight month. Among important sections, negative values of the terms of trade figures reached 'mineral fuels, lubricants and related materials' (82.0%), 'food and live animals' (95.5%) and 'machinery and transport equipment' (99.9%). Positive values of the terms of trade figures, among important sections, reached 'crude material, inedible, except fuel' (107.2%), 'manufactured goods classified chiefly by material' (101.9%), and 'miscellaneous manufactured articles' (101.2%).