

External trade in May 2008

According to preliminary data, seasonally adjusted exports decreased by 1.8% and imports by 7.2%, **month-on-month**. The trend component shows decreases in exports by 0.1% and imports by 0.2%.

Year-on-year, current price exports remained at the level of May 2007 level and imports fell by 2.0%. External trade turnover amounting CZK 401.1 billion was the lowest from the beginning of the year. May 2008 was by one working day shorter than May 2007. Due to appreciation of the *koruna* against the euro and even more against the US dollar, external trade grew faster in euros (exports +12.5%, imports +10.3%) and US dollars (exports +29.6%, imports +27.1%) than in *korunas*.

The trade balance reached a surplus of CZK 9.2 billion, which was by CZK 3.9 billion more in comparison to May 2007. Trade balance with EU member states was active by CZK 44.3 billion and with non-EU countries passive by CZK 35.1 billion.

The trade balance developed favourably as a result of increasing surplus in 'machinery and transport equipment' by CZK 6.4 billion (due to a decrease in imports) and 'manufactured goods classified chiefly by material' by CZK 1.8 billion; and as a result of decreasing deficit in 'chemicals and related products' by CZK 0.5 billion and 'food and live animals' by CZK 0.4 billion. Surplus rose in trade in 'beverages and tobacco' and 'crude materials, inedible, except fuels' (both by CZK 0.2 billion). On the other hand, trade deficit increased in 'mineral fuels, lubricants and related materials' (by CZK 4.4 billion) and trade surplus fell in 'miscellaneous manufactured articles' (by CZK 0.9 billion).

Exports of 'machinery and transport equipment' saw a total growth of 2.5% (CZK +2.7 billion), of which the biggest increases were achieved in 'telecommunications and sound-recording equipment' (CZK +3.4 billion), 'office machines, automatic data-processing machines' (CZK +0.3 billion) and 'road vehicles' (CZK +0.2 billion). Total imports of 'machinery and transport equipment' were down by 4.5% (CZK -3.8 billion). The highest decreases were recorded in 'general industrial machinery and equipment' (CZK -1.5 billion) and 'machinery specialized for particular industries' (CZK -1.4 billion). Imports of 'telecommunications and sound-recording equipment' rose by CZK 1.6 billion. Increases in surplus in 'telecommunications and sound-recording equipment' (CZK 1.8 billion) and 'general industrial machinery and equipment' (CZK 1.6 billion) were the biggest contributors to the favourable trade balance of 'machinery and transport equipment'.

Imports of 'mineral fuels, lubricants and related materials' grew by 38.6% (CZK +6.0 billion) mainly due to higher imports of natural gas (+80.6% in value, +55.2% in volume) and crude petroleum (+31.1% in value, +5.4% in volume).

By group of countries, trade surplus with EU member states grew by CZK 11.9 billion and trade deficit with non-EU countries increased by CZK 8.0 billion. Trade balance improved with the Netherlands (by CZK 3.8 billion) and Italy (by CZK 2.0 billion) as deficit turned into a surplus. Trade surplus grew with Poland (by CZK 1.9 billion), Germany (by CZK 1.5 billion), France (by CZK 1.4 billion) and Austria and Sweden (both by CZK 0.9 billion). Trade deficit rose with the Russian Federation (by CZK 3.1 billion), China (by CZK 2.3 billion), Kazakhstan (by CZK 0.7 billion) and Thailand (by CZK 0.5 billion). Trade surplus fell with Hungary and Slovakia (both by CZK 0.6 billion).

In the **twelve months to May 2008**, compared with the previous twelve months, exports and imports grew by 10.5% and 9.7%, respectively. The trade balance reached a surplus of CZK 88.5 billion, which was an improvement of CZK 24.0 billion.

Favourable results were achieved in trade in 'machinery and transport equipment' (surplus up by CZK 39.6 billion), 'food and live animals' (deficit down by CZK 5.7 billion), 'crude materials, inedible, except fuels' (surplus up by CZK 4.1 billion), 'animal and vegetable oils, fats and waxes' (deficit down by CZK 0.9 billion) and 'beverages and tobacco' (surplus up by CZK 0.3 billion). Trade balance deteriorated due to an increase of deficit in 'mineral fuels, lubricants and related materials' (by CZK 12.6 billion) and 'chemicals and related products' (by CZK 11.7 billion). Trade surplus fell in 'manufactured goods classified chiefly by material' (by CZK 2.2 billion) and 'manufactured goods classified chiefly by material' (by CZK 0.4 billion).

By group of countries, trade surplus with EU member states rose by CZK 80.0 billion and trade deficit with non-EU countries increased by CZK 56.0 billion. Surplus rose in trade with France (by CZK 16.0 billion), Slovakia (by CZK 12.5 billion), Italy (by CZK 10.4 billion), the United Kingdom (by CZK 9.7 billion), Poland (by CZK 9.3 billion) and Romania (by CZK 7.6 billion). Trade balance improved with the Netherlands (by CZK 13.8 billion) as deficit turned into a surplus, and deficit decreased in trade with the Russian Federation (by CZK 7.3 billion). Trade deficit grew with China (by CZK 46.8 billion), Japan (by CZK 16.1 billion), Thailand (by CZK 7.9 billion), Ireland (by CZK 4.7 billion) and the United States (by CZK 3.8 billion); trade surplus fell with Hungary (by CZK 7.4 billion) and Austria (by CZK 3.7 billion).

In **January-May 2008** exports and imports grew by 5.9% and 6.1%, respectively. The trade surplus of CZK 50.5 billion was by CZK 1.4 billion higher, year-on-year.

According to the note of the Directorate General of Customs, data were received from 94.7 % 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.