

External trade in August 2008

According to preliminary data, seasonally adjusted exports increased by 0.3% and imports decreased by 6.8%, **month-on-month**. The trend component shows increasing exports (+0.1%) and decreasing imports (-0.5%).

Year-on-year, exports and imports at current prices were down by 8.1% and 10.1% respectively, which is the biggest fall since August 2002. External trade turnover amounting to CZK 353.0 billion is the lowest since August 2006. Due to appreciation of the *koruna* external trade grew in euros (exports +5.4%, imports +3.2%) and US dollars (exports +15.8%, imports +13.4%). August 2008 had two working days fewer than August 2007.

The trade balance reached a surplus of CZK 3.6 billion, which is by CZK 3.8 billion better result year-on-year and the first August trade surplus since 1993. The trade balance improvement came as a result of a higher fall of imports (by CZK 19.5 billion) than exports (by CZK 15.8 billion). The trade balance with EU member states was active by CZK 37.0 billion and with non-EU countries passive by CZK 33.4 billion. Trade balance developed favourably in 'machinery and transport equipment' where surplus grew by CZK 4.5 billion. Deficit fell in 'chemicals and related products' (by CZK 0.9 billion) and trade balance improved as deficit turned into a surplus in 'manufactured goods classified chiefly by material' (by CZK 0.9 billion) and in 'beverages and tobacco' (by CZK 0.3 billion). On the other hand, deficit rose in 'mineral fuels, lubricants and related materials' (by CZK 2.1 billion) and surplus dropped in 'miscellaneous manufactured articles' (by CZK 0.8 billion). The trade balance in 'food and live animals' and 'crude materials, inedible, except fuels' remained at the level of August 2007.

Total exports of 'machinery and transport equipment' fell by 7.7% (CZK -7.6 billion); the highest decreases were recorded in 'office machines, automatic data-processing machines' (CZK -2.6 billion), 'electrical machinery, apparatus and appliances' (CZK -2.3 billion), 'general industrial machinery and equipment' (CZK -1.9 billion) and 'road vehicles' (CZK -1.8 billion). Only exports of 'telecommunications and sound-recording equipment' grew (CZK +2.6 billion). Total imports of 'machinery and transport equipment' fell by 15.4% (CZK 12.2 billion); the highest decreases were registered in 'electrical machinery, apparatus and appliances' (CZK -4.6 billion), 'office machines, automatic data-processing machines' (CZK -3.7 billion) and 'road vehicles' (CZK -1.8 billion). Imports of 'mineral fuels, lubricants and related materials' grew by 16.4% (CZK +2.9 billion) due to higher imports of natural gas (+70.9% in value, +32.0% in volume). Imports of crude petroleum decreased (-0.8% in value, -20.8% in volume). Exports of 'mineral fuels, lubricants and related materials' rose by 12.1% (CZK +0.7 billion).

By group of countries, trade surplus with EU member states grew by CZK 6.2 billion and trade deficit with non-EU countries increased by CZK 2.4 billion. Trade surplus grew with Germany (by CZK 4.6 billion) and Poland (by CZK 1.1 billion). Trade balance improved with the Netherlands (by CZK 3.5 billion) where the deficit turned into a surplus. Trade deficit decreased with China (by CZK 1.1 billion), Taiwan and Japan (both by CZK 0.6 billion). Trade surplus dropped with Belgium (by CZK 1.4 billion), Spain (by CZK 0.9 billion), France and Ukraine (both by CZK 0.7 billion) and Slovakia (by CZK 0.4 billion). Trade balance deteriorated with the United States (by CZK 1.2 billion) and Kazakhstan (by CZK 0.5 billion) as surplus turned into a deficit. The trade gap rose with Azerbaijan (by CZK 0.9 billion) and the Russian Federation (by CZK 0.1 billion).

In the **twelve months to August 2008**, compared with the previous twelve months, exports and imports grew by 6.5% and 5.0% respectively. The trade balance reached a surplus of CZK 107.9 billion, which was by CZK 39.1 billion more.

Trade balance improved in 'machinery and transport equipment' (surplus up by CZK 56.6 billion), 'manufactured goods classified chiefly by material' (surplus up by CZK 5.7 billion), 'food and live animals' (deficit down by CZK 5.4 billion), 'crude materials, inedible, except fuels' (surplus up by CZK 1.6 billion) and 'beverages and tobacco' (improvement by CZK 1.6 billion as deficit turned into a surplus). Trade balance deteriorated due to increasing deficit in 'mineral fuels, lubricants and related materials' (by CZK 24.2 billion) and 'chemicals and related products' (by CZK 7.2 billion); trade surplus fell in 'miscellaneous manufactured articles' (by CZK 0.6 billion).

By group of countries, trade surplus with EU member states rose by CZK 91.5 billion and trade deficit with non-EU countries increased by CZK 52.4 billion. Trade balance improved with the Netherlands (by CZK 24.6 billion) where the deficit turned into a surplus. Surplus rose in trade with France (by CZK 13.3 billion), Germany (by CZK 12.3 billion), Poland (by CZK 8.9 billion), Italy (by CZK 8.6 billion), Slovakia (by CZK 7.2 billion) and Romania (by CZK 7.1 billion). Trade deficit grew with China (by CZK 32.9 billion), Japan (by CZK 14.2 billion), Korea (by CZK 5.6 billion), the United States (by CZK 5.0 billion), Kazakhstan (by CZK 4.5 billion) and the Russian Federation (by CZK 1.6 billion). Trade surplus fell with Hungary (by CZK 4.9 billion) and Spain (by CZK 4.7 billion).

In **January–August 2008** exports and imports grew by 4.0% and 2.8% respectively. The trade balance surplus of CZK 76.4 billion was by CZK 20.1 billion higher, year-on-year.

According to the note of the Directorate General of Customs, data were received from 95.2 % 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.