

Short commentary

External trade - January 2010

According to preliminary data, seasonally adjusted exports and imports rose by 7.2% and 7.8% respectively, **compared with December 2009**. The development trend shows increasing exports (+ 2.4%) and imports (+ 2.5%).

Compared with January 2009, exports and imports at current prices rose by 9.1% (CZK +14.6 bn) and 3.5% (+CZK 5.4 bn) respectively. Imports showed the first year-on-year increase since September 2008, exports have been growing since November 2009. January results were influenced by a low comparative basis of January 2009 when compared to January 2008, exports and imports fell by 25.0% (CZK -53.5 bn) and 22.6% (CZK -45.6 bn). An appreciation of CZK against the two major currencies resulted in higher growth of external trade in euros (export +13.4%, imports +7.6%) and mainly in US dollars (export +22.4%, imports +16.0%). January 2010 had one working day less than January 2009.

The trade balance showed a surplus of CZK 13.1 bn, which was by CZK 9.2 bn more, year on year. January trade balances have been always in the black since 2004. A year-on-year growth of CZK 6.3 bn in surplus in machinery and transport equipment contributed primarily to the increase in total trade surplus. Trade balance improved in miscellaneous manufactured articles by CZK 2.3 bn as deficit turned into a surplus. Deficit fell in trade in mineral fuels and chemicals by CZK 1.0 bn and 0.5 bn respectively; and trade surplus in crude materials rose by CZK 0.5 bn. On the other hand, surplus in trade in manufactured goods classified chiefly by material and beverages and tobacco dropped by CZK 1.3 bn and CZK 0.3 bn respectively; and trade in food and live animals saw a slight deepening in deficit of CZK 0.1 bn.

Total exports and imports in machinery and transport equipment went up by 12.9 (CZK +10.8 bn) and 7.0% (CZK +4.5 bn) year-on-year respectively. Increases of exports and imports were observed mainly in road vehicles (CZK +10.1 bn and CZK +1.7 bn, respectively), electrical machinery, apparatus and appliance (CZK +2.4 bn and CZK +3.1 bn respectively) and office machines and automatic data-processing machines (CZK +1.8 bn and CZK +1.2 bn respectively). A growth of surplus in road vehicles (CZK +8.4 bn) influenced the machinery and transport equipment balance the most. Mineral fuels imports fell by 7.8% (CZK -1.4 bn) mainly due to the falling imports of natural gas (-28.4 % in value). Imports of natural gas in volume grew by 31.7%. Imports of crude petroleum went up by 29.6%, while it dropped by 22.0% in volume.

The trade balance with EU member states was active by CZK 46.6 bn (surplus up by CZK 1.8 bn compared with January 2009) and the trade balance with non-EU countries was passive by CZK 33.5 bn (deficit improved by CZK 7.4 bn year-on-year). Surplus rose in trade with France (by CZK 1.5 bn), Italy (by CZK 1.4 bn), Belgium (by CZK 0.6 bn) and Germany (by CZK 0.2 bn). Deficit narrowed with Russia (by CZK 2.6 bn) and Japan (by CZK 2.4 bn). Surplus reduced in trade with Slovakia (by CZK 1.3 bn), Finland and the Netherlands (both by CZK 0.6 bn). Balance deteriorated in trade with Poland (by CZK 1.0 bn) as surplus turned into a deficit; and deficit went deep in trade with Azerbaijan (by CZK 0.7 bn), the United States (by CZK 0.6 bn) and China (by CZK 0.1 bn).

In the **twelve months to January 2010**, compared with the previous twelve months, exports and imports were down by 11.3% and 15.9% respectively. The trade balance ended in a surplus of CZK 161.2 bn, which was by CZK 101.9 bn higher. Positive effect on balance came primarily from mineral fuels (deficit down by CZK 58.6 bn), manufactured goods classified chiefly by material (surplus up by CZK 16.8 bn), chemicals (deficit down by CZK 12.1 bn). Surplus rose in trade in crude materials (CZK +10.6 bn), machinery and transport equipment (CZK +4.3 bn) and miscellaneous manufactured articles (CZK +3.8 bn). Unfavourable impact on balance had trade in food and live animal (deficit up by CZK 2.8 bn), beverages and tobacco (surplus down by CZK 1.2 bn) and animal and vegetable oils, fats and waxes (deficit up by CZK 0.8 bn).

Trade surplus with EU member states went down by CZK 6.7 bn and trade gap with non-EU countries was by CZK 108.6 bn lower. Surplus rose with Germany (by CZK 41.6 bn), France (by CZK 8.3 bn) and Hungary (by CZK 4.8 bn); deficit fell in trade with the Russia (by CZK 36.6 bn), Japan (by CZK 19.0 bn), China (by CK 15.7 bn) and Azerbaijan (by CZK 11.8 bn). Balance deteriorated in trade with Poland (by CZK 22.1 bn) as surplus turned into a deficit; surplus dropped in trade with Slovakia (by CZK 11.1 bn), Romania (by CZK 9.0 bn), the Netherlands (by CZK 8.0 bn) and Sweden (by CZK 5.3 bn).

According to the CZSO's regular quarterly update, the 2009 trade surplus amounted to CZK 152.0 bn (downward correction of CZK 1.2 bn).

According to the CZSO's sources, data were obtained from 93.2% of companies (for goods dispatched) and 89.0% of companies (for goods arrived) obliged to report to the Intrastat system.

Data for companies exempted from reporting duty in accordance with amended Decree No. 201/2005 Sb. and for companies that failed to report have been imputed. The imputation methods are based on data that the companies reported in the previous period and data from the VAT returns.