

Commentary

Trend in February 2020

Month-on-month comparison

- **Export prices** decreased by 0.8%, month-on-month (m-o-m) in February 2020. The fall in the monthly export price index was decisively affected by a decrease in prices of 'machinery and transport equipment' by 0.7%. The biggest price fall was recorded in 'mineral fuels, lubricants and related materials', especially in electric current and petroleum products, 'crude materials, inedible, except fuels' and in 'manufactured goods classified chiefly by material' by 8.5%, 1.9% and 0.5%, respectively. Only prices of 'chemicals and related products' increased by 0.2%.
- **Import prices** decreased by 1.3%, m-o-m, in February 2020. The greatest effect on an overall fall in the monthly import price index was brought mainly by a decrease in 'mineral fuels, lubricants and related materials', especially in petroleum and electric current, by 9.2%. Prices fell also in 'crude materials, inedible, except fuels' and 'chemicals and related products' by 0.8%, coincidentally. Prices decreased in 'manufactured goods classified chiefly by material', 'food and live animals' and 'machinery and transport equipment' by 0.6%, identically. Prices didn't grow in any of SITC 1 sections.
- The **terms of trade** reached the value of 100.5%. The most positive values of the terms of trade were reached in 'chemicals and related products' (101.0%), 'mineral fuels, lubricants and related materials' (100.8%) and 'food and live animals' (100.6%). The lowest negative values of the terms of trade were reached in 'crude materials, inedible, except fuels' (98.9%) and in 'machinery and transport equipment' (99.9%).

Year-on-year comparison

- **Export prices** fell by 3.2%, year-on-year (y-o-y) (in January 2020 by 2.1%). The fall in the export price index was essentially affected by a decrease in prices of 'machinery and transport equipment' by 2.1%. Prices decreased the most in 'crude materials, inedible, except fuels', especially in waste paper and wood, in 'mineral fuels, lubricants and related materials', especially in electric current and coal, and in 'manufactured goods classified chiefly by material' by 14.9%, 12.9% and 5.1%, respectively. Prices didn't rise in any of other followed sections.
- **Import prices** decreased by 3.2%, y-o-y (in January 2020 by 1.5%). A fall in prices of 'manufactured goods classified chiefly by material', especially iron and steel, by 5.0% had the strongest effect on the decrease of the annual import price index. Prices fell in 'mineral fuels, lubricants and related materials', especially electric current and gas, 'crude materials, inedible, except fuels' and in 'chemicals and related products' by 10.6%, 6.6% and 6.5%, respectively. Price growth was recorded only in 'food and live animals' by 4.7%.
- The **terms of trade** increased to the value of 100.0% (they reached 99.4% in January 2020) and after two months they recovered from negative values. Positive values of the terms of trade were reached especially in 'beverages and tobacco' (105.5%), 'chemicals and related products' (103.1%) and in 'miscellaneous manufactured articles' (101.5%). The lowest values of the terms of trade were recorded in 'crude materials, inedible, except fuels' (91.1%), 'food and live animals' (95.3%) and 'mineral fuels, lubricants and related materials' (97.4%).