

COMMENTARY

Trend in March 2014

Month-on-month comparison:

- **Exports:** export prices fell 0.6% in March (-0.3% in February). The change of the total m-o-m export price index was driven mainly by a 0.6% price drop in 'machinery and transport equipment'. Among important sections biggest price drop occurred in 'crude materials, inedible, except fuels' (-2.0%), 'chemicals and related products' (-0.9%) and 'miscellaneous manufactured articles' (-0.6%). There was no price growth reported in any of monitored groups.
- **Imports:** import prices decreased by 0.8% (-0.2% in February). The change of the total m-o-m import price index was driven mainly by a 1.8% price drop in 'mineral fuels, lubricants and related materials'. Biggest price drop was registered in prices of 'crude materials, inedible, except fuels' (-2.3%), 'machinery and transport equipment' (-0.7%), 'food and live animals' (-0.6%) and 'manufactured goods classified chiefly by material' (-0.6%). Only price growth was registered in 'animal and vegetable oils' (+0.7%).
- The **terms of trade** figures increased to 100.2% (99.9% in February) returning to positive values. Highest positive values reached prices of 'mineral fuels, lubricants and related materials' (101.6%), 'manufactured goods classified chiefly by material' (100.6%) and 'machinery and transport equipment' (100.1%). On the contrary, negative values reached 'chemicals and related products' (99.6%) and 'miscellaneous manufactured articles' (99.7%).

Year-on-year comparison:

- **Exports:** export prices increased by 3.3% (+4.4% in February) due to weakening of koruna against Euro and dollar. The change of the total y-o-y export price index was driven mainly by a 3.3% price growth in 'machinery and transport equipment'. Prices in 'manufactured goods classified chiefly by material' and 'miscellaneous manufactured articles' grew 5.0% and 4.7%, respectively. Prices of 'mineral fuels, lubricants and related materials' decreased by 1.5%.
- **Imports:** import prices rose 1.3% (+2.9% in February). Change of the total y-o-y import price index came mainly from a 1.9% price growth in 'machinery and transport equipment'. Prices of 'food and live animals', 'manufactured goods classified chiefly by material', 'miscellaneous manufactured articles' and 'chemicals and relate products' increased by 6.4%, 1.9%, 1.5% and 0.5%, respectively. Prices of 'mineral fuels, lubricants and related materials' decreased by 4.1% and prices of 'crude materials, inedible, except fuels' fell 1.3%.
- The **terms of trade** figures increased to 102.0% (101.5% in February) staying in positive values for fifteenth month. Among important sections, highest positive values of the terms of trade figures were registered in 'miscellaneous manufactured articles' (103.2%), 'manufactured goods classified chiefly by material' (103.0%) and 'machinery and transport equipment' (101.4%). Negative values of the terms of trade figures reached only 'food and live animals' (94.8%).