December 7, 2016

## External trade – October 2016

**In October 2016, according to preliminary data of external trade in goods in ‘national concept' in current prices, the trade balance ended in a surplus of CZK 15.5 bn, which was an increase of CZK 0.3 bn, year−on−year (y−o−y).**

**Year−on−year,** total balance in 'national concept' was favourably influenced mainly by a decrease of deficit in 'chemicals and related products' (by CZK 1.1 bn) and 'mineral fuels, lubricants and related materials' (by CZK 0.6 bn). A higher surplus was recorded in 'crude materials' (by CZK 0.6 bn) and deficit in 'food and live animals' was (by CZK 0.2 bn) lower. Total balance was unfavourably affected by a y−o−y decrease of surplus in 'miscellaneous manufactured articles' (by CZK 1.3 bn), 'manufactured goods classified chiefly by material' (by CZK 0.5 bn) and 'machinery and transport equipment' (by CZK 0.3 bn).

In October, the trade balance with EU28 Member States ended in a surplus of CZK 52.6 bn, which was a y−o−y decrease by CZK 3.0 bn. Deficit of trade with non-EU countries shrank by CZK 2.5 bn to amount to CZK 35.4 bn.

**Month−on−month**, in ‘national concept’ seasonally adjusted exports and imports grew by 0.3% and 0.8% respectively. The development trend shows decreasing exports and imports (both −0.9%).

**Year−on−year,** 'national concept' exports and imports decreased by 4.9% (to CZK 282.1 bn) and by 5.3% (to CZK 266.6 bn) respectively.

In **January−October 2016,** trade surplus in 'national concept' reached CZK 178.1 bn which represented a y−o−y increase of CZK 55.7 bn. From the beginning of the year exports went up by 1.0% while imports fell by 1.1%, y−o−y.

Detailed information on external trade in 'national concept' is available on website: <https://www.czso.cz/csu/czso/vzonu_ts>. Preliminary data are based on the cross-border trade of residents and estimates of internal trade between residents and non-residents. These estimates will be updated next month.

**In October 2016, according to preliminary data of ‘cross-border concept’ in current prices, exports and imports fell by 6.5% and by 7.8% respectively, y−o−y.**

**Y−o−y**, in terms of euro, exports and imports decreased by 6.2% and by 7.5% respectively. In terms of US dollars exports and imports were lower by 7.9% and by 9.2% respectively compared to October 2015.

Total exports of goods in ‘cross-border concept’ (goods leaving the Czech Republic territory) amounted to value of CZK 341.3 bn and total imports in ‘cross-border concept’ (goods entering the Czech Republic territory) reached CZK 293.9 bn.

Total 'machinery and transport equipment' exports went down by 6.7% (CZK −13.8 bn), y−o−y. Exports decreased mainly in 'telecommunication and sound-recording equipment' (CZK −5.2 bn), 'office machines, automatic data-processing machines' (CZK −3.8 bn) and 'road vehicles' (CZK −2.1 bn). Total 'machinery and transport equipment' imports were lower by 10.1% (CZK −15.1 bn), y−o−y. Imports fell mainly in and 'office machines, automatic data-processing machines' (CZK −5.0 bn), 'telecommunications and sound-recording equipment' (CZK −2.4 bn) and 'electrical machinery, apparatus and appliances' (CZK −2.3 bn). Imports of 'mineral fuels, lubricants and related materials’ dropped by 22.0% (CZK −3.9 bn), y−o−y. Imports of crude petroleum decreased by 8.3% in value and by 6.4% in volume. Imports of natural gas were lower by 52.9% in value and by 39.8% in volume.

In **January−October 2016,** in cross-border concept exports grew by 2.3% while imports fell by 0.6%, y−o−y.

Detailed information on external trade in ‘cross-border concept’ is available on website: <https://www.czso.cz/csu/czso/vzoph_ts>.

Notes:

***National concept of external trade*** *reflects export and import performance of the Czech economy, i.e. the external trade balance of the Czech Republic as well. It measures real trade in goods carried out between the Czech and foreign entities, i.e. a change of ownership between residents and non-residents.* ***Cross-border concept of external trade*** *reflects only physical movements of goods across the border regardless of whether the trade between the Czech and foreign entities occurs. These data are internationally comparable and can be used as indicators of development of value of the trade.*

*Exports and imports in ‘national concept’ are derived from adjustments of data on movement of goods across the border (‘cross-border concept’). Goods which are moved in/from the territory of the Czech Republic by foreign entities are excluded and, on the other hand goods traded between the Czech and foreign entities on the territory of the Czech Republic are taken into account. Table 5 on website:* [*https://www.czso.cz/csu/czso/vzonu\_ts*](https://www.czso.cz/csu/czso/vzonu_ts) *shows this adjustment.*

The both concepts of external trade include the value of goods sent for inward or outward processing. Goods sent for processing are excluded from the value of exports and imports in the balance of payments and in the national accounts according to ESA and BPM6.

The data in national concept are used as an input data source for the balance of the payments and the national accounts.

*The published data are based on data obtained of* *98.8% of companies (for goods dispatched) and 98.8% of companies (for goods arrived) obliged to report to the Intrastat system.* *Data for companies that failed to report (non-response) have been imputed according to dispatches and arrivals that these companies reported in the previous periods. Data for companies exempted from the reporting duty were estimated on the basis of the data given in the VAT return forms. The VAT data which are not available are extrapolated on the basis of the values in previous periods.*

*The data for individual months of 2015 are final; the data for individual months of 2016 are preliminary.* *Data of the reference month are released together with updated data of the previous three months in cross-border concept and with updated data of the last finished quarter and individual months of the reference quarter in national concept. All data are processed from basic reporting units and subsequently rounded.*

Detailed methodology information is available on website of the CZSO:

***National concept:***

[*https://www.czso.cz/csu/czso/2-vzonu\_m*](https://www.czso.cz/csu/czso/2-vzonu_m)

***Cross-border concept:***

[*https://www.czso.cz/csu/czso/whatisexternal\_trade*](https://www.czso.cz/csu/czso/whatisexternal_trade)

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*Method of data collection: Intrastat forms and Single administrative documents.*

*Value Added Tax declaration forms*

*End of data collection: 20th working day after the end of the reference month*

*Documents available on the CZSO website: w-241013-16 External Trade of the Czech Republic –detailed breakdown (periodicity: monthly):* [*https://www.czso.cz/current-product/41320*](https://www.czso.cz/current-product/41320)

*External Trade Database:* [*http://apl.czso.cz/pll/stazo/STAZO.STAZO?jazyk=EN*](http://apl.czso.cz/pll/stazo/STAZO.STAZO?jazyk=EN)

*Next News Release: January 6, 2017*

**This press release was not edited for language.**