March 29, 2018

External trade prices declined

Export and import price indices – January 2018

In January 2018, export import prices decreased by 0.1%, import prices dropped 0.6%, the terms of trade figures reached 100.5%, month-on-month. Export prices declined 4.1%, import prices fell 5.8%, the terms of trade reached 101.8%, year-on-year.

# Month-on-month comparison:

**Exports:** export prices decreased by 0.1% in January (+0.4% in December). The change of the total m-o-m export price index was led mainly by a 0.5% price drop in ‘miscellaneous manufactured articles’. Prices were falling in ‘food and live animals’ (-0.7%), ‘chemicals and related products’ (-0.2%), and in ‘machinery and transport equipment’ (-0.1%). Biggest price growth was registered in ‘crude materials, inedible, except fuels’ (+1.4%) and ‘mineral fuels, lubricants and related materials’ (+1.1%).

**Imports:** import prices dropped 0.6% in January following a 0.4% advance in December.
The change of the total m-o-m import price index was driven mainly by a 1.2% price decline
in ‘machinery and transport equipment’. Prices in ‘miscellaneous manufactured articles’ edged down 1.3%, ‘food and live animals’ prices decreased by 1.6%. ‘Mineral fuels, lubricants and related materials’ advanced significantly 2.3% while ‘crude materials, inedible, except fuels’ grew 1.7%,

The **terms of trade** increased to the value of 100.5% (100.0% in December). Significant positive values of terms of trade were reached by prices of ‘machinery and transport equipment’ (101.1%), ‘miscellaneous manufactured articles’ (100.8%), and ‘manufactured goods classified chiefly by material’ (100.5%). Negative values of terms of trade were reached in ‘mineral fuels, lubricants and related materials’ (98.8%) and ‘crude materials, inedible, except fuels’ (99.7%).

# Year-on-year comparison:

**Exports:** mainly due to strengthening of koruna against euro and U.S. dollar export prices fell 4.1% (-2.8% in December). A 5.1% price decline in ‘machinery and transport equipment’ contributed to the decrease in overall y-o-y export price index. ‘Miscellaneous manufactured articles’ prices dropped 5.2% and ‘mineral fuels, lubricants, and related products’ fell 12.9% (mainly electricity). Prices were rising in ‘beverages and tobacco’ (+1.8%) and ‘crude materials, inedible, except fuels’ (+0.9%),

**Imports:** import prices decreased by 5.8% after a 4.2% decline in December. The fall of the total annual import price index was primarily driven by a 8.3% drop in ‘machinery and transport equipment’. Prices also fell in ‘food and live animals’ (-7.9%) and ‘miscellaneous manufactured articles’ (-6.9%). Only price growth was registered in ‘beverages and tobacco’ (+2.7%).

The **terms of trade** figures increased to the value of 101.8% (101.5% in December) staying in the positive values for the fourth successive month. Among significant groups, positive values were reached by prices of ‘food and live animals’ (104.8%), ‘machinery and transport equipment‘ (103.5%), and ‘miscellaneous manufactured articles’ (101.8). ‘Mineral fuels, lubricants, and related products’ reached negative values of terms of trade – 90.7%.

Revision of external trade price indices

Czech Statistical Office has performed a standard revision of external trade price indices. From January 2018, export and import price indices are calculated using new weighting scheme based upon External trade statistics data from year 2015 and national concept data while implementing new price base - year 2015 average = 100.

Existent time series (2005 avg. = 100) was recalculated to the new base (2015 avg. = 100). From January 2018, new indices with base year 2015 avg. = 100 are linked to this new time series thus its enabling continuation of current time series, using December 2017 as a chaining period. All derived indices are now calculated from time series of base year 2015 avg. = 100. Publishing of price indices with base year 2005 avg. = 100 was terminated in December 2017. Hitherto published indices will not be revised.

Notes:

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Method of data collection: Selective survey of the CZSO

End of data collection: 16th calendar day after the reference month

Related publications: 013014-18 Import and Export Price Indices in the Czech Republic <https://www.czso.cz/csu/czso/export-and-import-price-indices>

Specific methodical notes: The data released are final.

Next News Release: 18 April 2018

*Not edited for language*

Annexes:

Table 1 Export and Import Price Indices

Table 2 Export and Import Price Indices

(breakdown of indices – published and exchange rate adjusted – month-on-month, year-on-year)

Chart 1 Export and Import Price Indices (year-on-year changes)