13 July 2021

Year-on-year terms of trade turned negative after 15 months

Export and Import Price Indices – May 2021

In May 2021 export prices decreased month-on-month by 0.2% and import prices increased by 0.1%. The terms of trade reached the value of 99.7%. Export and import prices rose year-on-year by 1.0% and 1.5%, respectively. The terms of trade reached the value of 99.5%.

**Month-on-Month Comparison**

**Export prices** decreased by 0.2% (increased by 0.9% after exchange rate adjustment), month-on-month (m-o-m) in May 2021. The fall in the monthly export price index was essentially affected by a decrease in prices of ‘machinery and transport equipment’ by 0.9%. The highest price fall was recorded in ‘mineral fuels, lubricants and related materials’, especially electric current, by 1.0%. The prices increased in ‘crude materials, inedible, except fuels’, especially wood and metal scrap, by 4.5%, and in ‘chemicals and related products’, by 1.9%.

**Import prices** increased by 0.1% (by 1.2% after exchange rate adjustment), m-o-m, in May 2021. The greatest effect on an overall rise in the monthly import price index was brought mainly by an increase in ‘manufactured goods classified chiefly by material’ by 0.9%. Prices grew the most in ‘crude materials, inedible, except fuels’, particularly wood, by 1.5%, in ‘chemicals and related products’ by 1.2%, and in ‘mineral fuels, lubricants and related materials’, significantly gas, by 1.1%. The prices fell in ‘machinery and transport equipment’, ‘food and live animals’ and in ‘beverages and tobacco’, by 0.8% all.

The **terms of trade** reached the value of 99.7% (100.4% in April 2021). The lowest negative values of the terms of trade were reached in ‘mineral fuels, lubricants and related materials’ (97.9%), ‘miscellaneous manufactured articles’ (99.2%) and ‘manufactured goods classified chiefly by material’ (99.4%). The highest positive value of the terms of trade was reached in ‘crude materials, inedible, except fuels’ (103.0%).

*“In May 2021, there was an appreciation of the CZK to EUR and USD, which contributed to a decline in export prices by 0.2% and to a slowdown in import prices growth by 0.1% compared to April 2021. The significant price growth**is particularly evident in ‘mineral fuels, lubricants and related materials’ and in ‘crude materials, inedible, except fuels’ in the year-on-year comparison of both exports and imports, especially growth in the prices of petroleum products, electric current, gas, metal scrap and wood,”* Vladimír Klimeš, Head of the Industrial and International Trade Prices Statistics Unit of the Czech Statistical Office, noted.

**Year-on-Year Comparison**

**Export prices** rose by 1.0% (by 6.6% after exchange rate adjustment), year-on-year (y-o-y). The growth in the export price index was essentially affected by an increase in prices of ‘mineral fuels, lubricants and related materials’, especially electric current, petroleum products and gas, by 46.6%. Prices increased significantly in ‘crude materials, inedible, except fuels’, particularly metal scrap, wood and waste paper, by 34.7%. Price fall was recorded in ‘miscellaneous manufactured articles’ and in ‘machinery and transport equipment’ by 4.8% and 2.2%, respectively.

**Import prices,** in spite of a significant appreciation of the CZK to USD, increased by 1.5%, y-o-y (by 7.9% after exchange rate adjustment). The growth in prices of ‘mineral fuels, lubricants and related materials’, especially petroleum and petroleum products, gas and electric current, by 75.3% had the strongest effect on the increase of the annual import price index. Prices also increased in ‘crude materials, inedible, except fuels’, particularly metalliferous ores and metal scrap and wood, by 17.8%. The prices decreased the most in ‘machinery and transport equipment’ and in ‘miscellaneous manufactured articles’ by 6.4% and 5.3%, respectively.

The **terms of trade** reached to the value of 99.5% (100.8% in April 2021) and after 15 months moved to negative values. The lowest value of the terms of trade was reached in ‘mineral fuels, lubricants and related materials’ (83.6%). On the contrary, the highest value of the terms of trade was recorded in ‘crude materials, inedible, except fuels’ (114.3%).

Notes:

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Data source: Sample survey of the CZSO

End of data collection: 15th calendar day after the reference month end

Related Internet-published document: 013014-21 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 published in the News Release are final data.

Next News Release shall be published on: 10 August 2021

Annexes:

Table 1 Export and Import Price Indices

Table 2 Export and Import Price Indices (breakdown of increments of published and exchange rate adjusted indices – month-on-month, year-on-year)

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