April 18, 2018

External trade prices kept falling

Export and import price indices – February 2018

In February 2018, export prices decreased by 0.2%, import prices dropped 0.3%, the terms of trade figures reached 100.1%, month-on-month. Export prices declined 4.7%, import prices fell 6.5%, the terms of trade reached 101.9%, year-on-year.

# Month-on-month comparison:

**Exports:** export prices decreased by 0.2% in February (-0.1% in January). The change of the total m-o-m export price index was led mainly by a 0.3% price drop in ‘machinery and transport equipment’. Prices were falling in ‘crude materials, inedible, except fuels’ (-1.8%), ‘chemicals and related products’ (-1.0%) and ‘miscellaneous manufactured articles’ (-0.6%). Biggest price growth was registered in ‘mineral fuels, lubricants and related materials’ (+1.1%).

**Imports:** import prices dropped 0.3% in February following a 0.6% decline in January.   
The change of the total m-o-m import price index was driven mainly by a 0.9% price drop   
in ‘machinery and transport equipment’. ‘Mineral fuels, lubricants and related materials’ prices declined 0.8% and ‘miscellaneous manufactured articles’ prices edged down 0.5%. Highest price advance was reported in ‘beverages and tobacco’ (+1.7%) and ‘crude materials, inedible, except fuels’ (+0.6%)

The **terms of trade** decreased to the value of 100.1% (100.5% in January) although keeping their positive values. Positive values of terms of trade were reached by prices of ‘mineral fuels, lubricants and related materials’ (101.9%) and ‘machinery and transport equipment’ (100.6%). Terms of trade of ‘manufactured goods classified chiefly by material’ reached 100%. Negative values were reached among significant groups in and ‘crude materials, inedible, except fuels’ (97.6%) and ‘chemicals and related products’ (98.8%).

# Year-on-year comparison:

**Exports:** mainly due to strengthening of koruna against euro and U.S. dollar export prices fell 4.7% (-4.1% in January). A 5.6% price decline in ‘machinery and transport equipment’ contributed to the decrease in overall y-o-y export price index. ‘Miscellaneous manufactured articles’ prices dropped 6.0% and ‘mineral fuels, lubricants, and related products’ fell 12.7% (mainly electricity). Prices increased only in ‘beverages and tobacco’ (+1.2%).

**Imports:** import prices decreased by 6.5% after a 5.8% decline in January. The fall of the total annual import price index was primarily driven by a 9.0% drop in ‘machinery and transport equipment’. Prices also fell in ‘food and live animals’ (-8.9%) and ‘miscellaneous manufactured articles’ (-7.0%). Only price growth was registered in ‘beverages and tobacco’ (+4.2%).

The **terms of trade** figures increased to the value of 101.9% (101.8% in January) staying in the positive values for the fifth successive month. Among significant groups, positive values were reached by prices of ‘food and live animals’ (105.0%), ‘machinery and transport equipment‘ (103.7%), and ‘manufactured goods classified chiefly by material’ (101.5%). ‘Mineral fuels, lubricants, and related products’ reached negative values of terms of trade (91.1%).

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 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 May 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)