December 7, 2015

## External trade – October 2015

**In October 2015, according to preliminary data of ‘national concept' in current prices, the trade balance ended in a surplus of CZK 13.3 bn, which was by CZK 1.2 bn more year−on−year (y−o−y). The surplus will fall to value of CZK 3.5 bn if a new leasing of fighters Jas-Gripen valued at CZK 9.9 bn is included.**

A new lease of Jas-Gripen fighters which was realized in October 2015 will be part of imports in the balance of the payments and the national accounts. It is not directly recorded in external trade statistics because in compliance with the Eurostat rules this transaction will be registered only in the national accounts and the balance of the payments methodology. Detailed information in press release on the website: <https://www.czso.cz/csu/czso/statistical-capture-of-jas-39-gripen-aircrafts-lease>

**Year−on−year,** total balance in national concept was favourably influenced mainly by a decrease of deficit in 'mineral fuels, lubricants and related materials' (by CZK 5.8 bn) and by a growth of the trade surplus in 'miscellaneous manufactured articles' and 'beverages and tobacco' (both by CZK 0.4 bn). Total balance was unfavourably affected by a y−o−y decrease of surplus in 'machinery and transport equipment' (by CZK 4.2 bn) and by a deepening of deficit in 'chemicals and related products' (by CZK 2.7 bn).

The trade balance with EU28 Member States ended in a surplus of CZK 58.4 bn, which was by CZK 6.8 bn more, y−o−y. Deficit of trade with non-EU countries increased by CZK 5.1 bn to amount to CZK 43.2 bn.

In October, national concept exports grew by 4.1% (to CZK 302.3 bn) and imports by 3.9% (to CZK 288.9 bn), y−o−y.

In **January−October 2015,** trade surplus in national concept reached CZK 137.8 bn which represented a y−o−y decrease of CZK 3.6 bn. From the beginning of the year exports and imports grew by 6.4% and 6.9% respectively, 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.

***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. On the other hand,* ***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.*

**In October 2015, according to preliminary data of ‘cross-border concept’ in current prices, exports and imports grew by 5.7% and 6.8% respectively, y−o−y.**

**Month-on-month**, in ‘cross-border concept’ seasonally adjusted exports and imports rose by 1.6% and 3.1% respectively. The development trend shows increasing exports (+2.0%) and imports (+1.8%).

**Y-o-y**, exports and imports in terms of euro increased by 7.6% and 8.7% respectively in October. In terms of US dollars exports and imports fell by 4.5% and 3.6% respectively.

Total exports of goods in ‘cross-border concept’ (goods leaving the Czech Republic territory) amounted to value of CZK 357.6 bn and total imports in ‘cross-border concept’ (goods entering the Czech Republic territory) reached CZK 318.1 bn.

Total 'machinery and transport equipment' exports grew by 8.1% (CZK +14.9 bn), y−o−y. Exports grew mainly in 'road vehicles' (CZK +9.9 bn), 'telecommunications and sound-recording equipment' (CZK +4.8 bn) and 'electrical machinery, apparatus and appliances' (CZK +2.4 bn). Exports of 'office machines, automatic data-processing machines' fell (CZK −3.2 bn). Total 'machinery and transport equipment' imports rose by 17.0% (CZK +22.0 bn), y−o−y. Imports were higher mainly in 'road vehicles' (CZK +6.1 bn) and 'telecommunications and sound-recording equipment' (CZK +8.8 bn). Imports of 'mineral fuels, lubricants and related materials’ dropped by 22.9% (CZK −5.4 bn), y−o−y. Imports of crude petroleum decreased by −51.8% in value and by −14.7% in volume. Imports of natural gas were higher by +25.9% in value and by +32.9% in volume.

In **January−October 2015,** exports and imports in cross-border concept grew by 6.8% and 7.3% respectively.

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

Notes:

*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* *98.9% of companies (for goods dispatched) and 98.9% 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 2014 are final; the data for individual months of 2015 are preliminary. 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-241013-15 External Trade of the Czech Republic –detailed breakdown (periodicity: monthly):* [*https://www.czso.cz/csu/czso/external-trade*](https://www.czso.cz/csu/czso/external-trade)

*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 8, 2016*

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