July 7, 2014

## External trade – May 2014

**In May 2014, according to preliminary data of ‘national concept' in current prices, the trade balance ended in a surplus of CZK 13,0 bn, which was by CZK 0.3 bn less year−on−year (y−o−y).**

**Year−on−year**, total balance in national concept was favourably influenced mainly by an increase in surplus in 'machinery and transport equipment' by CZK 2.1 bn, primarily due to a higher surplus in balance of 'road vehicles' (by CZK 4.1 bn). Total balance was negatively affected by a deepening in deficit in 'mineral fuels, lubricants and related materials' (by CZK 1.7 bn) and 'chemicals and related products' (by CZK 1.6 bn).

The trade balance with EU28 Member States ended in a surplus of CZK 51.2 bn, which was by CZK 7.7 bn more, y−o−y. Deficit of trade with non-EU countries deepened by CZK 8.0 bn to amount to CZK 37.2 bn.

In May, national concept exports grew by 9.9% (to CZK 258.5 bn) and imports by 10.7% (to CZK 245.5 bn), y−o−y.

In **January−May 2014,** trade surplus reached CZK 82.3 bn which represented an y−o−y increase of CZK 20.0 bn. From the beginning of the year exports and imports went up by 14.1% and 13.1% respectively, y−o−y.

Detailed information on external trade in national concept is available on website: <http://www.czso.cz/eng/redakce.nsf/i/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 May 2014, according to preliminary data of ‘cross-border concept’ in current prices, exports and imports grew by 11.8% and 9.9% respectively, y−o−y.**

**Month-on-month**, in ‘cross-border concept’ seasonally adjusted exports and imports rose by 0.4% and 1.2% respectively. The development trend shows growing exports (+0.4%) and imports (+0.6%).

**Y-o-y**, due to depreciation of the *koruna* against euro and US dollar, exports and imports in terms of euro grew by 5.4% and 3.7% respectively. In terms of US dollars exports and imports increased by 11.5% and 9.7% respectively.

Total exports of goods in ‘cross-border concept’ (goods leaving the Czech Republic territory) amounted to value of CZK 287.9 bn and total imports in ‘cross-border concept’ (goods entering the Czech Republic territory) reached CZK 253.2 bn.

Total 'machinery and transport equipment' exports grew by 15.9% (CZK +21.5 bn) y−o−y. Exports went up mainly in ‘road vehicles’ (CZK +7.0 bn), 'office machines, automatic data-processing machines' (CZK +5.2 bn) and ‘electrical machinery, apparatus and appliances’ (by CZK +3.4 bn). Total ‘machinery and transport equipment’ imports were by 13.7% (CZK +13.0 bn) higher, of which the largest increases were recorded in ‘road vehicles’ (by CZK +2.8 bn), ‘electrical machinery, apparatus and appliances’ and 'general industrial machinery and equipment' (both by CZK +2.0 bn). ‘Mineral fuels, lubricants and related materials’ imports rose by 6.2% (CZK +1.4 bn), y−o−y. Imports of crude petroleum increased (by +2.7%) in value and (by +0.6%) in volume. Imports of natural gas went down (by −5.3%) in value and rose (by +21.0%) in volume.

In **January−May 2014,** exports and imports in cross-border concept grew by 14.8% and 12.9% respectively.

Detailed information on external trade in ‘cross-border concept’ is available on website: <http://www.czso.cz/eng/redakce.nsf/i/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:* [*http://www.czso.cz/eng/redakce.nsf/i/vzonu\_ts*](http://www.czso.cz/eng/redakce.nsf/i/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 going to be excluded from the value of exports and imports in the balance of payments and in the national accounts according to ESA and BPM6 since September 2014.

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* *97.8% of companies (for goods dispatched) and 97.6% 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 2013 and 2014 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:***

[*http://www.czso.cz/eng/redakce.nsf/i/external\_trade\_in\_goods\_according\_to\_the\_change\_of\_ownership\_%28national\_concept%29\_*](http://www.czso.cz/eng/redakce.nsf/i/external_trade_in_goods_according_to_the_change_of_ownership_%28national_concept%29_)

***Cross-border concept:***

[*http://www.czso.cz/eng/redakce.nsf/i/external\_trade\_in\_goods\_according\_to\_the\_movement\_%28cross\_border\_concept%29\_*](http://www.czso.cz/eng/redakce.nsf/i/external_trade_in_goods_according_to_the_movement_%28cross_border_concept%29_)

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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-241013-14 External Trade of the Czech Republic –detailed breakdown (periodicity: monthly):* [*http://www.czso.cz/csu/2014edicniplan.nsf/engp/241013-14*](http://www.czso.cz/csu/2014edicniplan.nsf/engp/241013-14)

*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: August 6, 2014*

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