

COMMENTARY

Trend in December 2012

Month-on-month comparison:

- **Exports:** export prices decreased by 0.7% in December (+0.9% in November). The change of the total m-o-m export price index was driven mainly by a 0.7% price drop in 'machinery and transport equipment'. Among important sections prices fell in 'mineral fuels, lubricants and related materials' (-2.4%), 'miscellaneous manufactured articles' (-0.9%), 'manufactured goods classified chiefly by material' (-0.6%) and 'chemicals and related products' (-0.5%). Prices were rising by 0.1% in 'crude materials, inedible, except fuels'.
- **Imports:** import prices decreased by 1.1% (+0.9% in November). The change of the total m-o-m import price index was driven mainly by a 3.1% price drop in 'mineral fuels, lubricants and related materials'. Among important sections price drop was recorded in 'machinery and transport equipment' (-1.1%), 'manufactured goods classified chiefly by material' (-0.7%) and 'chemicals and related products' (-0.5%). Significant price growth of 0.5% was registered in food and live animals'.
- The **terms of trade** figures slightly rose to 100.4% (100.0% in November). Highest values of the terms of trade figures, among important sections, were recorded in 'crude materials, inedible, except fuels' (102.2%), 'mineral fuels, lubricants and related materials' (100.7%) and 'machinery and transport equipment' (100.4%). Significant negative values of the terms of trade figures reached 'food and live animals' (98.8%) and 'miscellaneous manufactured articles' (99.4%).

Year-on-year comparison:

- **Exports:** export prices decreased by 0.7% (+0.3% in November), premier drop after seventeen months of growth. The change of the total y-o-y export price index was driven mainly by a 0.9% price drop in 'machinery and transport equipment'. Among important sections, prices decreased in 'mineral fuels, lubricants and related materials' and 'manufactured goods classified chiefly by material' by 7.9% and 1.8%, respectively. Significant price growth was recorded in 'chemicals and related products' (+4.6%), 'food and live animals' (4.6%), 'crude materials, inedible except fuels' (+1.9%) and 'miscellaneous manufactured articles' (+0.4%).
- **Imports:** import prices decreased by 0.6% (+1.3% in November), first drop after thirty-one months. Change of the total y-o-y import price index came mainly from a 12.9% price drop in 'crude materials, inedible, except fuels'. Among important sections, prices fell in 'manufactured goods classified chiefly by material' (-1.7%), 'miscellaneous manufactured articles' (-1.5%) and 'machinery and transport equipment' (-1.2%). On the contrary, significant price drop growth registered in 'food and live animals' (+6.6%), 'chemicals and related products' (+2.1%) and 'mineral fuels, lubricant and related products' (+1.4%).
- The **terms of trade** rose to 99.9% (99.0% in November) and they have stayed in negative values for the thirty-seventh straight month. Among important sections, negative values of the terms of trade figures reached 'mineral fuels, lubricants and related materials' (90.8%), 'food and live animals' (98.1%) and 'manufactured goods classified chiefly by material' (99.9%). Positive values of the terms of trade figures, among important sections, reached 'chemicals and related products' (102.4%), 'miscellaneous manufactured articles' (101.9%) and 'machinery and transport equipment' (100.3%).

Czech Statistical Office has been preparing a revision of external trade price indices. From January 2013, export and import price indices will be calculated using new weighting scheme based upon External trade statistics data from year 2010 and implementing new price base y. 2010 average = 100. New indices will be chained to existent time series (2005 average = 100) thus enabling continuation of current time series. Hitherto published indices will not be revised.