

Commentary

External trade in goods by CPA, 1st – 2nd quarter

In the first half of 2010 external trade reported a growth again after a year-on-year decrease by more than a fifth in the first half of 2009. The growth of exports and imports resulted in a higher external trade turnover by 15.4% (CZK +310.6 bn) year-on-year. The external trade balance reached the highest half-year surplus (CZK 83.2 bn) since the first half of 2005, from when the external trade of the Czech Republic has been continuously bringing positive half-year surpluses.

Exports and imports of manufactured products¹ had a decisive impact on the external trade by CPA figures. Exports and imports of manufactured products were up in the first half of 2010 compared to the first half of 2009 by 15.5% (CZK 151.1 bn) and 15.0% (CZK 129.3 bn) respectively. The share of manufactured products in total exports increased from a share of 93.1% in the first half of 2009 to 93.5% in the first half of 2010. At the same time the share of manufactured products in total imports decreased from 88.8% to 88.1%. Due to appreciation of the CZK against EUR and USD, exports and imports of manufactured products expressed in EUR and USD grew more than in CZK. Exports and imports in EUR went up by 21.8% and 21.3% year-on-year respectively, and exports and imports in USD rose by 20.9% and 20.3% year-on-year respectively.

In manufactured products exports, 'motor vehicles, trailers and semi-trailers' holding the most important share (20.7% in the first half of 2010 against 19.1% in the first half of 2009) reported an increase of export of 24.9% (CZK 46.5 bn). Further commodities with significant share of manufactured products exports were 'computer, electronic and optical products' (a share of 16.2%), 'machinery and equipment' (a share of 12.1%), 'electrical equipment' (a share of 9.0%), 'fabricated metal products' (a share of 6.0%), 'rubber and plastics products' (a share of 5.2%) and 'chemicals and chemical products' (a share of 5.0%). All these items registered increases in exports in comparison to the first half of 2009, of which the largest gains were posted in computer, electronic and optical products' (CZK +20.6 bn) and 'electrical equipment' (CZK +19.8%).

In manufactured products imports, 'computer, electronic and optical products' had the strongest position (a share of 20.5% against 18.9% in the first half of 2009) and recorded a growth of imports by CZK 40.2 bn year-on-year. It was followed by 'motor vehicles, trailers and semi-trailers' (a share of 11.2%), 'machinery and equipment' (a share of 9.0%), 'basic metals' (a share of 8.6%), and 'chemicals and chemical products' (a share of 8.1%). The biggest year-on-year increases in imports were observed in 'basic metals' (CZK +20.7 bn), 'motor vehicles, trailers and semi-trailers' (CZK +17.8 bn), 'chemicals and chemical products' (CZK +16.3 bn) and electrical equipment' (CZK +14.6 bn). In addition to manufactured products, further items of CPA of an important share in the total imports was (CPA 06) 'crude petroleum and natural gas' with a share of 7.0%.

The trade surplus in manufactured products reached CZK 137.9 bn and was up by CZK 21.9 bn year-on-year. The largest surplus was posted in 'motor vehicles, trailers and semi-trailers' (CZK +122.5 against CZK +93.9 bn in the first half of 2009). Surplus rose in trade with 'machinery and equipment' (by CZK +8.0 bn), 'electrical equipment' (by CZK +5.2 bn) 'rubber and plastics products' (by CZK +2.8 bn) and 'fabricated metal products' (by CZK 0.7 bn). The biggest trade gap in manufactured products was reported in 'basic metals' (deficit up by CZK 10.7 bn year-on-year) followed by 'chemicals and chemical products', 'basic pharmaceutical products and pharmaceutical preparations', 'computer, electronic and optical products' and 'food products'. In non-manufactured products a large deficit was observed (CZK 73.1 bn compared to CZK 56.7 bn in the first half of 2009) in external trade in 'crude petroleum and natural gas'.

In the first half of 2010 the same as in the first half 2009 the largest part of external trade in manufactured products was traded with EU member states. In the first half of 2010 manufactured products exports to EU and imports from EU accounted for 83.7% and 69.0% of total manufactured products exports and imports respectively compared with 84.2% and 70.4% in the first half of 2009 respectively. Manufactured products exports to EU were up by 14.8% and manufacturing industries imports from EU grew by 12.7% year-on-year. The most notable shares in exports to EU hold 'motor vehicles, trailers and semi-trailers' (21.3%), 'computer, electronic and optical products' (16.5%), 'machinery and equipment' (11.3%) and 'electrical equipment' (8.8%). In imports from EU prevailed 'motor vehicles, trailers and semi-trailers' (14.1%), 'basic metals' (10.4%), 'computer, electronic and optical products' (9.5%), 'chemicals and chemical products' (9.5%) and 'machinery and equipment' (9.4%). Manufactured products balance of trade with EU member states positively influenced the total external trade surplus. In the first half of 2010 it achieved a surplus CZK 261.0 bn against CZK 216.5 bn in the same period of 2009.

Shares of other groups of countries in external trade with manufactured products were considerably lower. For example, developing economies, European transition economies and CIS made up 4.4% and 4.5% of the total exports of manufactured products and 8.1% and 1.8% of the total imports of manufactured products in the first half of 2010. In imports from European transition economies and CIS 'crude petroleum and natural gas' had the most important share (73.7%) in the total imports from this group of countries. In the first half of 2010 external trade balance in manufactured products with the developing economies ended in a deficit of CZK 30.6 bn against CZK 21.0 bn in the first half of 2009 and with European transition economies and CIS yielded a surplus CZK 32.3 bn compared to CZK 31.9 bn in the first half of 2009.

¹ (Section C – Division 10 -33)