

## COMMENTARY

### Trend in November 2010

#### Month-on-month comparison:

- **Exports:** export prices increased by 0.8% in November (-0.7% in October). The growth of the total m-o-m export price index came mainly from a 0.9% price growth in 'machinery and transport equipment'. The prices increased in all observed sections. Among important sections, the prices in 'chemicals and related products', 'crude materials, inedible, except fuels', 'miscellaneous manufactured articles' and 'manufactured goods classified chiefly by material' and, increased by 1.7%, 1.2%, 0.6% and 0.5%, respectively.
- **Imports:** import prices rose by 1.1% (-0.9% in October). Growth of the total m-o-m import price index was driven mainly by 4.9% price drop in 'mineral fuels, lubricants and related materials'. Among important sections, the prices' growth was registered in 'miscellaneous manufactured articles' (1.0%), 'chemicals and related products' (0.8%), 'manufactured goods classified chiefly by material' (0.6%) and 'machinery and transport equipment' (0.5%). The price drop was observed only in 'crude materials, inedible, except fuel' (-2.6%).
- The **terms of trade** figures decreased to 99.7% (100.2% in October) and returned to negative values after two months. The prices in 'mineral fuels, lubricants and related materials', 'food and live animals' and 'miscellaneous manufactured articles' reached the lowest values of the terms of trade figures: 95.5.4%, 98.6% and 99.6%, respectively. The most significant positive values of the terms of trade figures were registered in 'crude materials, inedible, except fuels' (103.9%), 'chemicals and related products' (100.9%) and 'machinery and transport equipment' (100.4%).

#### Year-on-year comparison:

- **Exports:** export prices increased by 0.8% (no change in October). Index was affected mainly by price growth in 'crude materials, inedible, except fuels' (25.4%). Among sections important in terms of weight, the price growths were recorded in 'mineral fuels, lubricants and related materials' (10.7%), 'chemicals and related products' (7.1%), 'food and live animals' (6.4%) and 'manufactured goods classified chiefly by material' (2.6%). The prices in 'machinery and transport equipment' and 'miscellaneous manufactured articles' fell by 2.7% and 2.2%, respectively.
- **Imports:** import prices increased by 4.3% (3.8% in October). This increase was supported also by weakening of the koruna against dollar. The growth of the total y-o-y import price index came mainly from a 20.3% price increase in 'mineral fuels, lubricants and related materials'. Price growths were also recorded in 'crude materials, inedible, except fuels' (34.2%), manufactured goods classified chiefly by material' (5.1%), 'food and live animals' (4.1%) and 'chemicals and related products' (1.6%). Prices dropped, among important sections, in 'miscellaneous manufactured articles' (-1.5%) and 'machinery and transport equipment' (-0.1%).
- The **terms of trade** figures slightly increased to 96.6% (96.3% in October) and for the twelfth month remained in negative values. The lowest values of the terms of trade figures recorded 'mineral fuels, lubricants and related materials' (92.0%), 'crude materials, inedible, except fuels' (93.4%), 'machinery and transport equipment' (97.4%), 'manufactured goods classified chiefly by material' (97.6%) and 'miscellaneous manufactured articles' (99.3%). On the contrary, significant positive values of the terms of trade figures were recorded in 'chemicals and related products' (105.4%) and 'food and live animals' (102.2%).