

## COMMENTARY

### Trend in May 2010

#### Month-on-month comparison:

- **Exports:** export prices increased by 2.1% in May (0.5% in April). The growth of the total m-o-m export price index came mainly from a 1.8% price increase in 'machinery and transport equipment'. The most marked price growths were recorded for prices of 'mineral fuels, lubricants and related materials' by 3.6%, 'manufactured goods classified chiefly by materials' by 3.1% and 'chemicals and related products' by 2.4%. The price growth was registered also in all other monitoring groups.
- **Imports:** import prices went up by 2.7% (0.6% in April). Increase of the total m-o-m import price index was driven mainly by a 2.3% growth in prices of 'machinery and transport equipment'. The price growths were registered also in 'crude materials, inedible, except fuels' by 10.5%, 'mineral fuels, lubricants and related materials' by 6.1%, 'manufactured goods classified chiefly by materials' by 2.3%, 'miscellaneous manufactured articles' by 2.0% and 'chemicals and related products' by 1.8%. The fall was reported only in prices of 'food and live animals' by 1.2%.
- The **terms of trade** figures decreased at 99.4% (99.9% in April) and for the seventh successive month remained in negative values. More significant negative values of the terms of trade figures were recorded for 'crude materials, inedible, except fuels', (91.7%), 'mineral fuels, lubricants and related materials' (97.6%), 'machinery and transport equipment' and 'miscellaneous manufactured articles' both 99.5%. On the contrary, among important section positive values of the terms of trade figures were registered in 'food and live animals' (102.9%), 'manufactured goods classified chiefly by materials' (100.8%) and 'chemicals and related products' (100.6%).

#### Year-on-year comparison:

- **Exports:** export prices increased after ninth month, this time by 0.3 % (fall by 3.1% in April). The growth of the total y-o-y export price index was mainly affected by a 36.6% price increase in 'crude materials, inedible, except fuels'. More marked price increases were recorded in 'mineral fuels, lubricants and related materials' by 12.5% and 'chemicals and related products' by 11.9%. More significant drops were reported in 'machinery and transport equipment' and 'miscellaneous manufactured articles' both by 2.3%, 'food and live animals' by 2.1% and 'manufactured goods classified chiefly by material' by 0.7%.
- **Imports:** import prices increased after thirteen month falling by 3.1% (drop by 0.4% in April). The increase was supported also weakening of the koruna against dollar. The growth of the total y-o-y import price index came mainly from a 35.4% price increase in 'mineral fuels, lubricants and related materials'. Price increases were also recorded in 'manufactured goods classified chiefly by material' by 1.5% and 'chemicals and related products' by 0.2%. Prices in all other section decreased. Among important sections the price drops were observed in 'crude materials, inedible, except fuels' by 3.6%, 'miscellaneous manufactured articles' by 2.8%, 'food and live animals' by 0.3% and 'machinery and transport equipment' by 0.1%.
- The **terms of trade** figures stagnated at 97.3% (growth at 97.3% in April) and for the sixth month they remained in negative values. The lowest values of the terms of trade figures recorded 'mineral fuels, lubricants and related materials' (83.1%), 'manufactured goods classified chiefly by material' (97.8%), 'machinery and transport equipment' (97.8%) and 'food and live animals' (98.2%). Among sections important in terms of weight, positive values of the terms of trade figures reached 'crude materials, inedible, except fuels' (141.7%), 'chemicals and related products' (111.7%) and 'miscellaneous manufactured articles' (100.5%).