

## COMMENTARY

### Trend in 2016

**For the whole year 2016, export prices** decreased by 3.1% (-1.7% in 2015), **import prices** fell 4.0% (-1.9% in 2015).

- **Exports:** prices were falling in 'mineral fuels, lubricants and related materials' (-13.0%), 'chemicals and related products' (-6.2%), 'manufactured goods classified chiefly by material' (-4.1%), and 'machinery and transport equipment' (-2.0%). Price growth was registered in 'animal and vegetable oils' (+4.4%) and 'beverages and tobacco' (+1.0%).
- **Imports:** prices significantly dropped in 'mineral fuels, lubricants and related materials' (-22.6%), 'chemicals and related products' (-4.4%), 'manufactured goods classified chiefly by material' (-3.9%), and 'machinery and transport equipment' (-1.2%). Only price growth (+0.9%) was spotted in 'beverages and tobacco'.
- **The terms of trade** figures in total reached 100.9% in 2016 (100.2% in 2015).

### Trend in December 2016

#### Month-on-month comparison:

- **Exports:** export prices rose 0.5% in December (+0.5% in November). The change of the total m-o-m export price index was driven mainly by a 0.6% price growth in 'machinery and transport equipment'. Among important sections, prices were rising in 'mineral fuels, lubricants and related materials' (+3.1%), 'crude materials, inedible, except fuels' (+1.5%), and 'manufactured goods classified chiefly by material' (+0.5%). There was no price drop registered in any of SITC1 groups.
- **Imports:** import prices increased by 1.3% in December (+0.8% in November). The change of the total m-o-m import price index was driven mainly by a 7.0% price growth in 'mineral fuels, lubricants and related materials'. Prices of 'crude materials, inedible, except fuels', 'food and live animals', 'manufactured goods classified chiefly by material', and 'machinery and transport equipment' rose 3.8%, 2.5%, 1.6%, and 0.6%; respectively. No price drop spotted either in any of SITC1 groups.
- The **terms of trade** decreased to the value of 99.2% (99.7% in November) staying in negative values for the fourth consecutive month. Negative values of terms of trade were reached by prices of 'mineral fuels, lubricants and related materials' (96.4%), 'crude materials, inedible, except fuels' (97.8%), and 'food and live animals' (98.6%). Terms of trade of 'machinery and transport equipment' did not change. Among important sections, positive values were reached only by prices of 'chemicals and related products' (100.3%).

#### Year-on-year comparison:

- **Exports:** export prices decreased by 0.5% (-1.4% in November). The change of the total y-o-y export price index was driven mainly by a 0.7% price drop in 'machinery and transport equipment'. Prices were significantly falling in 'chemicals and related products' (-2.7%) and

'manufactured goods classified chiefly by material' (-0.6%). Prices of 'mineral fuels, lubricants and related materials' and 'crude materials, inedible, except fuels' rose 6.2% and 2.6%; respectively.

- **Imports:** import prices increased by 1.5% (-1.0% in November) rising for the first time after eighteen consecutive months. The change of the total y-o-y import price index came mainly from a 12.3% price growth in 'mineral fuels, lubricants, and related products'. Prices of 'food and live animals' and 'manufactured goods classified chiefly by material' increased by 5.6% and 2.1%; respectively. 'Chemicals and related products' prices dropped 0.6%, 'machinery and transport equipment' prices fell 0.4%.
- The **terms of trade** figures decreased to the value of 98.0% (99.6% in November) staying in negative values for the third consecutive month. Prices of 'mineral fuels, lubricants and related materials' (94.6%), 'manufactured goods classified chiefly by material' (97.4%), 'chemicals and related products' (97.9%), and 'machinery and transport equipment' (99.7%) reached negative values of terms of trade. Among important sections, positive values of the terms of trade were reached by prices of 'miscellaneous manufactured articles' (100.4%).