

COMMENTARY

Trend in May 2017

Month-on-month comparison:

- **Exports:** export prices fell 1.1% in May (-0.6% in April). The change of the total m-o-m export price index was led mainly by a 1.1% price decrease in 'machinery and transport equipment'. Prices were falling in 'mineral fuels, lubricants and related materials' (-5.2%, especially coal), both 'chemicals and related products' and 'crude materials, inedible, except fuels' declined 1.9%. Only price growth (+0.4) was registered in 'animal and vegetable oils'.
- **Imports:** import prices decreased by 1.4% in May following a 0.6% decline in April. The change of the total m-o-m import price index was driven mainly by a 1.6% price drop in 'machinery and transport equipment'. 'Mineral fuels, lubricants and related materials' prices dropped 3.6%, another decrease was recorded in 'miscellaneous manufactured articles' (-1.0%). Prices rose only in 'food and live animals' (+0.2%).
- The **terms of trade** increased to the value of 100.3% (100.0% in April). Among important sections, positive values of terms of trade were reached by prices of 'machinery and transport equipment' (100.5%), 'miscellaneous manufactured articles' (100.4%) and 'manufactured goods classified chiefly by material' (100.4%). Negative values of terms of trade were reached mainly in 'mineral fuels, lubricants and related materials' (98.3%) and 'chemicals and related products' (98.9%).

Year-on-year comparison:

- **Exports:** export prices rose 1.0% (+2.3% in April). A 3.2% price advance in 'manufactured goods classified chiefly by material' contributed to the increase in overall y-o-y export price index. Prices increased in 'mineral fuels, lubricants, and related products' (+17.3%; mainly coal), 'crude materials, inedible, except fuels' (+8.8%) and 'food and live animals' (+4.0%). 'Machinery and transport equipment' prices dropped 1.3%.
- **Imports:** import prices advanced 3.2% after a 5.1% increase in April, rising for the sixth consecutive month. The change of the total annual import price index was primarily driven by a 19.0% rise in 'mineral fuels, lubricants, and related products' (supported mainly by natural gas and crude oil). Prices of 'crude materials, inedible, except fuels', 'manufactured goods classified chiefly by material', and 'food and live animals' rose 22.3% (especially metalliferous ores), 7.1%, and 6.4%; respectively. Biggest drop was recorded in 'machinery and transport equipment' (-1.2%) and 'miscellaneous manufactured articles' (-0.4%).
- The **terms of trade** figures increased to the value of 97.9% (97.3% in April) staying in negative values for the eighth consecutive month. Prices of 'crude materials, inedible, except fuels' (89.0%), 'manufactured goods classified chiefly by material' (96.4%), and 'machinery and transport equipment' (99.9%) 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' (100.8%).