

# Commentary

## Trend in March 2018

### Month-on-month comparison

- **Exports:** export prices rose 0.4% in March (-0.2% in February). The change of the total m-o-m export price index was led mainly by a 1.1% price growth in 'manufactured goods classified chiefly by material'. Prices were also growing in 'miscellaneous manufactured articles' (+0.5%) and 'machinery and transport equipment' (+0.4%). Only price drop was recorded in 'food and live animals' (-0.2%).
- **Imports:** import prices advanced 0.4% in March following a 0.3% decline in February. The change of the total m-o-m import price index was driven mainly by a 0.4% price growth in 'machinery and transport equipment'. Prices increased in 'food and live animals' (+1.2%), 'chemicals and related products' (+0.6%), and 'manufactured goods classified chiefly by material' (+0.4%). No price drop was recorded in any of the observed groups.
- The **terms of trade** decreased to the value of 100.0% (100.1% in February). Positive values of terms of trade were reached by prices of 'manufactured goods classified chiefly by material' (100.7%) and 'miscellaneous manufactured articles' (100.3%). Terms of trade of 'machinery and transport equipment' reached 100%. Negative values were reached among significant groups in 'food and live animals' (98.6%) and 'crude materials, inedible, except fuels' (99.6%).

### Year-on-year comparison

- **Exports:** mainly due to strengthening of koruna against euro and U.S. dollar export prices fell 4.3% (-4.7% in February). A 5.0% price decline in 'machinery and transport equipment' contributed to the decrease in overall y-o-y export price index. 'Miscellaneous manufactured articles' prices dropped 5.4% and 'mineral fuels, lubricants, and related products' fell 9.6% (mainly coal). On the contrary, 'manufactured goods classified chiefly by material' prices grew (+0.3%).
- **Imports:** import prices decreased by 5.9% after a 6.5% decline in February. The fall of the total annual import price index was primarily driven by a 8.6% drop in 'machinery and transport equipment'. Prices also fell in 'crude materials, inedible, except fuels' (-12.6%), 'miscellaneous manufactured articles' (-6.6%) and 'food and live animals' (-6.3%). Only price growth was registered in 'beverages and tobacco' (+4.6%).
- The **terms of trade** figures decreased to the value of 101.7% (101.9% in February) staying in the positive values for the sixth successive month. Among significant groups, positive values were reached by prices of 'machinery and transport equipment' (103.9%), 'manufactured goods classified chiefly by material' (102.8%) and 'miscellaneous manufactured articles' (101.3%). 'Mineral fuels, lubricants, and related products' reached negative values of terms of trade (90.7%).