July 7, 2021

Trade Balance Ends in a Surplus in May Again

**International Trade in Goods (change of ownership) –**

May 2021

According to preliminary data in current prices, the trade balance of goods in May 2021 ended in a surplus of CZK 6.3 bn, which was by CZK 6.9 bn better result, year−on−year (y−o−y).

The total balance of international trade1) in goods2) was **favourably influenced** mainly by a y−o−y increase of the trade surplus in 'motor vehicles, trailers and semitrailers' by CZK 15.1 bn, mainly due to a growth of their exports by CZK 36.0 bn. The trade balance improved in 'computer, electronic and optical products' (deficit down by CZK 3.0 bn), 'machinery and equipment' (surplus up by CZK 2.2 bn) and 'textiles' (a change by CZK 2.0 bn from a deficit to a surplus).

The total balance was **negatively affected** mainly by a larger trade deficit in 'basic metals' by CZK 6.6 bn, 'crude petroleum and natural gas' by CZK 6.0 bn (due to rising world market prices and bigger imported quantity), 'chemicals and chemical products' by CZK 4.7 bn and 'basic pharmaceutical products' by CZK 4.0 bn.

**Y−o−y,** **exports** increased by 41.6% to CZK 334.3 bn and **imports** grew by 38.6% to CZK 327.9 bn. The results were influenced by a low comparative basis of May 2020 when the Covid-19 restrictive measures were still effective. May 2021 had two more working days than May 2020.

In the period from **January to May 2021,** the trade balance surplus reached CZK 92.3 bn, which represented an increase by CZK 79.9 bn, y−o−y. From the beginning of the year, exports and imports grew by 26.3% and 20.5%, respectively, y−o−y.

**Month-on-month**, the seasonally adjusted **exports** and **imports** fell by 8.1% and 4.1%, respectively. The trend shows decreasing exports (−1.0%) and imports (−0.8%).

In May 2021, the trade balance with the **EU273)** Member States ended in a surplus of CZK 57.7 bn, which was CZK 11.4 bn higher, y−o−y. The highest y−o−y increases of surplus were recorded in trade with France (by CZK 4.4 bn) and Germany (by CZK 3.3 bn). On the other hand, the trade surplus decreased with the Netherlands (by CZK 1.6 bn) and the trade deficit with Poland increased by  the same amount.

In May 2021, exports to **Eurozone** countries constituted 64.8% of all Czech exports; imports from Eurozone countries to the Czech Republic constituted 48.4% of all Czech imports. Y−o−y, exports to the Eurozone went up by 39.7% (CZK +61.6 bn) to CZK 216.5 bn; imports from the Eurozone increased by 45.1% (CZK +49.4 bn) and reached CZK 158.7 bn. In May 2021, the Czech crown strengthened against the Euro on average by 6.7%, y−o−y.

The trade deficit with **non−EU27** countries increased by CZK 4.1 bn to reach an amount of CZK 49.3 bn. The trade balance deteriorated with the Russian Federation by CZK 4.8 bn as a surplus turned into a deficit. On the other hand, the trade surplus grew with the United Kingdom by CZK 3.1 bn and deficit decreased in trade with China by CZK 2.1 bn.

Methodological note:

Since 2020, the Czech Statistical Office (CZSO) has changed the terminology and the manner in which data is presented. The external trade is now referred to as international trade. The data based on the change of ownership between residents and non-residents (former so-called the 'national concept of external trade'), from now on, is referred to as 'international trade in goods (change of ownership)'. The 'cross-border concept of external trade' is referred to Cross-border movements of goods.

Further information: [https://www.czso.cz/csu/czso/changes-in-international-trade-statistics](https://www.czso.cz/csu/czso/changes-in-international-trade-statistics%20)

Notes:

*1)* *The* ***international trade balance*** *is the difference between exports from the Czech Republic and import to the Czech Republic.*

*2) The* ***international trade in goods (change of ownership)*** *reflects export and import performance of the Czech economy, i.e. the international trade balance of the Czech Republic as well. It measures real trade in goods carried out between Czech entities and foreign ones, i.e. the change of ownership between residents and non-residents.*

*3****)*** *The* ***EU27*** *- from 1 February 2020, the United Kingdom has not been a member of the European Union.*

*Data for companies, which are subject to the reporting duty and which failed to report data (non-response), has been imputed according to dispatches and receptions these companies reported in the previous period. Data for companies exempted from the reporting duty were estimated on the basis of the data given in the VAT return forms. The data, which were not available from the VAT return forms, are estimated on the basis of the values for previous periods.*

***Data for respective months of 2020 and 2021 is preliminary; data up to and including year 2019 is final.*** *When data for the reference month is published, six previous months are updated. All months with preliminary data are updated when data for January, March and July is published. Final data is published always in September of the following year.*

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*Method of data collection:* *Intrastat forms and single administrative documents and value added tax return forms*

*End of data collection:* *20th working day after the end of the reference month*

*Following data set:* [*https://www.czso.cz/csu/czso/vzonu\_cr*](https://www.czso.cz/csu/czso/vzonu_cr)

*Next News Release will be published on: August 6, 2021*

*Annex:*

*Chart 1 Balance of international trade in goods (total trade balance, trade balances with the EU27 Member States and non−EU27 countries*