May 7, 2021

Trade Balance Influenced by High Exports of Motor Vehicles

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

March 2021

According to preliminary data in current prices, the trade balance of goods in March 2021 reached a surplus of CZK 18.5 bn. In March 2020, the trade balance was even (balanced), which means that the year−on−year (y−o−y) difference also amounted to CZK 18.5 bn.

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 20.9 bn, mainly due to a growth of their exports by CZK 37.4 bn. In addition, the trade surpluses grew in 'machinery and equipment' and 'fabricated metal products' by CZK 2.4 bn and CZK 1.5 bn, respectively.

The total balance was **negatively affected** mainly by a larger trade deficit in 'crude petroleum and natural gas' by CZK 3.7 bn due to rising world market prices and bigger imported quantity of natural gas. Further, the trade deficit in 'basic metals' and 'basic pharmaceutical products' deepened by CZK 3.5 bn and CZK 2.6 bn, respectively.

**Y−o−y,** **exports** increased by 29.2% to CZK 374.1 bn and **imports** grew by 22.8% to CZK 355.6 bn. The results were influenced by a low comparison base. In March 2020, the first Covid-19 restriction measures started. March 2021 had one working day more as March 2020.

In the period from **January to March 2021,** the trade balance surplus reached CZK 65.1 bn, which represented an increase by CZK 27.9 bn, y−o−y. From the beginning of the year, exports and imports grew by 10.4% and 7.5%, respectively, y−o−y.

**Month-on-month**, the seasonally adjusted **exports** and **imports** rose by 7.0% and 7.1%, respectively. The trend shows increasing exports (+2.6%) and imports (+3.8%).

In March 2021, the trade balance with the **EU273)** Member States ended in a surplus of CZK 75.6 bn, which was CZK 35.2 bn higher, y−o−y. The highest y−o−y increases of surplus were recorded in trade with Germany (by CZK 12.2 bn), France (by CZK 5.2 bn) and Austria (by CZK 3.4 bn).

In March 2021, exports to **Eurozone** countries constituted 64.9% of all Czech exports; imports from Eurozone countries to the Czech Republic constituted 48.6% of all Czech imports. Y−o−y, exports to the Eurozone went up by 29.9% (CZK +55.8 bn) to CZK 242.6 bn; imports from the Eurozone increased by 17.4% (CZK +25.7 bn) and reached CZK 172.9 bn. In March 2021, the Czech crown strengthened against the Euro on average by 1.5%, y−o−y.

The trade deficit with **non−EU27** countries deepened by CZK 16.2 bn to reach an amount of CZK 54.9 bn. The trade deficit rose mainly with China and Japan by CZK 14.0 bn and CZK 1.8 bn, respectively. The trade balance deteriorated with the Russian Federation by CZK 2.3 bn as a surplus turned into a deficit.

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)

 *241014-21 External Trade of the Czech Republic –by CZ-CPA (quarterly)*

[*https://www.czso.cz/current-product/41321*](https://www.czso.cz/current-product/41321)

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*Annex:*

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