September 6, 2023

**The trade balance ended in a deficit**

**International Trade in Goods (Change of Ownership) –**

July 2023

According to preliminary data in current prices, the trade balance of goods in July 2023 ended in a deficit of CZK 5.9 bn, which was by CZK 16.6 bn lower, year−on−year (y−o−y).

The total balance of international trade1) in goods2) was **favourably influenced** mainly by a y−o−y smaller deficit in 'crude petroleum and natural gas' by CZK 23.3 bn due to the fall in world market prices. The trade surplus in 'motor vehicles, trailers and semitrailers' grew by CZK 4.0 bn and the trade deficit in 'basic metals' decreased by CZK 3.1 bn. The total trade balance was **negatively affected** mainly by a decline of the trade surplus in 'electricity' by CZK 6.8 bn. The trade deficits in 'computer, electronic and optical products' and 'electrical equipment' grew by CZK 6.5 bn and CZK 1.8 bn, respectively.

In July 2023, the positive trade balance with **EU Member States** deteriorated by CZK 5.5 bn. The trade deficit with **non-EU** countries decreased by CZK 21.9 bn.

**Y-o-y** **exports** fell by 4.0% to CZK 318.8 bn while **y-o-y** **imports** decreased by 8.4% to CZK 324.7 bn. July 2023 had the same number of working days as July 2022.

*“The trade balance ended in the red in July, it is the first negative balance of this year. On the export side, we recorded the highest year-on-year decrease in electricity, down by 72%, and on the import side, down by 63% for oil and natural gas, both declines mainly due to a fall in the prices of these commodities,”* says Miluše Kavěnová, Director of the International Trade Statistics.

**Month-on-month,** the seasonally adjusted **exports** and **imports** fell by 3.6% and 1.4%, respectively.

From **January to July 2023,** the trade surplus reached CZK 73.6 bn, compared with a deficit of CZK 108.3 bn in the same period of the previous year. Since the beginning of the year, y−o−y exports have grown by 4.0% while imports have fallen by 3.1%.

The CZSO has carried out theregular annual update. **Final 2022 data** on international trade in goods says, that y−o−y exports and imports grew by 13.6% to CZK 4 407.3 bn and by 18.5% to CZK 4 612.1 bn, respectively. Balance of international trade in goods for the year 2022 ended in a deficit of CZK 204.8 bn in comparison to CZK 9.2 bn in 2021.

Methodological note:

*From 2020 onwards, data for International trade in goods (change of ownership) are subject to recalculation using an updated method, based on a higher level of detail. See* [*Update of the compilation method – International trade in goods*](https://www.czso.cz/csu/czso/update-of-the-compilation-method-international-trade-in-goods-change-of-ownership) *(change of ownership).*

*In accordance with the methodology of Eurostat, selected data for exports and imports of military equipment and weapons for the current period are for safety reasons included in other goods codes and another territorial structure so that the macroeconomic aggregate of international trade in goods is not influenced.*

Notes:

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

*Data for companies, which are subject to the reporting duty and which failed to report data (non-response), has been imputed according to exports and imports 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 2023 is preliminary; data up to and including year 2022 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: October 9, 2023*

*Annex:*

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

**This press release was not edited for language.**