August 16, 2017

Annual export price decline influenced by strong koruna

Export and import price indices – June 2017

In June 2017, export prices decreased by 1.3%, import prices declined 1.9%, the terms of trade figures reached 100.6%, month-on-month. Export prices dropped 0.4%, import prices advanced 0.5%, the terms of trade reached 99.1%, year-on-year.

# Month-on-month comparison:

**Exports:** export prices fell 1.3% in June (-1.1% in May). The change of the total m-o-m export price index was led mainly by a 1.5% price decrease in ‘machinery and transport equipment’. Prices were falling in ‘mineral fuels, lubricants and related materials’ (-2.9%, especially petroleum products) and also in ‘chemicals and related products’ (-1.8%). There was no price growth reported in any of the observed groups.

**Imports:** import prices decreased by 1.9% in June following a 1.4% decline in May. The change of the total m-o-m import price index was driven mainly by a 1.7% price drop in ‘machinery and transport equipment’. ‘Mineral fuels, lubricants and related materials’ prices dropped 4.8%, another decrease was recorded in ‘manufactured goods classified chiefly by material’ (-1.3%). Prices did not increase in any of the surveyed groups.

The **terms of trade** increased to the value of 100.6% (100.3% in May). Among important sections, positive values of terms of trade were reached by prices of ‘crude materials, inedible, except fuels’ (103.0%), ‘mineral fuels, lubricants and related materials’ (102.0%), ‘manufactured goods classified chiefly by material’ (100.4%), and ‘machinery and transport equipment’ (100.2%). Negative values of terms of trade were reached mainly in ‘chemicals and related products’ (99.6%).

# Year-on-year comparison:

**Exports:** due to strengthening of koruna against euro and U.S. dollar export prices fell 0.4% (+1.0% increase in May). A 2.4% price decline in ‘machinery and transport equipment’ contributed to the decrease in overall y-o-y export price index. ‘Miscellaneous manufactured articles’ prices dropped 0.4%. Prices were rising in ‘crude materials, inedible, except fuels’ (+9.0%), ‘mineral fuels, lubricants, and related products’ (+8.6%; mainly coal), ‘food and live animals’ (+3.9%), and ‘manufactured goods classified chiefly by material’ (+1.3%).

**Imports:** import prices advanced 0.5% after a 3.2% increase in May, rising for the seventh consecutive month. The growth of the total annual import price index was primarily driven by a 4.9% advance in ‘manufactured goods classified chiefly by material’. Prices were rising mainly in ‘crude materials, inedible, except fuels’ (+15.6%), ‘mineral fuels, lubricants, and related products’ (+6.0%), and ‘food and live animals’ (+5.4). Biggest price drop was reported in ‘machinery and transport equipment’ (-2.8%) and ‘miscellaneous manufactured articles’ (-2.1%).

The **terms of trade** figures increased to the value of 99.1% (97.9% in May) staying in negative values for the ninth consecutive month. Prices of ‘crude materials, inedible, except fuels’ (94.3%), ‘manufactured goods classified chiefly by material’ (96.6%), and ‘food and live animals’ (98.6%) reached negative values of terms of trade. Among important sections, positive values of the terms of trade were reached by prices of ‘mineral fuels, lubricants, and related products’ (102.5%) and ‘machinery and transport equipment‘ (100.4%).

Notes:

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Method of data collection: Selective survey of the CZSO

End of data collection: 16th calendar day after the reference month

Related publications: 013014-17 Import and Export Price Indices in the Czech Republic <https://www.czso.cz/csu/czso/export-and-import-price-indices>

Specific methodical notes: The data released are final.

Next News Release: 18 September 2017

*Not edited for language*

Annexes:

Table 1 Export and Import Price Indices

Table 2 Export and Import Price Indices

(breakdown of indices – published and exchange rate adjusted – month-on-month, year-on-year)

Chart 1 Export and Import Price Indices (year-on-year changes)