February 16, 2018

External trade prices increased, m-o-m

Export and import price indices – December 2017

In December 2017, both export and import prices increased by 0.4%, the terms of trade figures reached 100.0%, month-on-month. Export prices dropped 2.8%, import prices declined 4.2%, the terms of trade reached 101.5%, year-on-year.

For the whole year 2017, annual export prices decreased by 0.1%, import prices grew 0.9%, the terms of trade reached 99.0%.

# Month-on-month comparison:

**Exports:** export prices rose 0.4% in December (-0.5% in November). The change of the total
m-o-m export price index was led mainly by a 0.2% price increase in ‘machinery and transport equipment’. Biggest price growth was registered in ‘crude materials, inedible, except fuels’
(+1.8%), ‘chemicals and related products’ (+1.6%), and ‘manufactured goods classified chiefly by material’ (+0.5%). ‘Mineral fuels, lubricants and related materials’ prices significantly dropped 1.1%.

**Imports:** import prices increased by 0.4% in December following a 0.3% decline in November.
The change of the total m-o-m import price index was driven mainly by a 1.7% price growth
in ‘mineral fuels, lubricants and related materials’. Prices in ‘food and live animals’ ticked up 1.0%, ‘chemicals and related products’ grew 0.8% and ‘machinery and transport equipment’ prices increased by 0.1%. Prices in ‘crude materials, inedible, except fuels’ declined 0.8%, ‘miscellaneous manufactured articles’ edged down 0.5%.

The **terms of trade** increased to the value of 100.0% (99.8% in November). Significant positive values of terms of trade were reached by prices of ‘miscellaneous manufactured articles’ (100.8%), ‘chemicals and related products’ (100.8%), ‘manufactured goods classified chiefly by material’ (100.2%), and ‘machinery and transport equipment’ (100.1%). Negative values of terms of trade were reached in ‘mineral fuels, lubricants and related materials’ (97.2%) and ‘food and live animals’ (98.8%)

# Year-on-year comparison:

**Exports:** mainly due to strengthening of koruna against euro and U.S. dollar export prices fell 2.8% (-2.7% in November). A 4.9% price decline in ‘machinery and transport equipment’ contributed to the decrease in overall y-o-y export price index. ‘Miscellaneous manufactured articles’ prices dropped 4.2% and ‘chemicals and related products’ prices fell 1.3%. Prices were rising in ‘crude materials, inedible, except fuels’ (+4.6%), ‘mineral fuels, lubricants, and related products’ (+1.7%), and in ‘manufactured goods classified chiefly by material’ (+0.4%).

**Imports:** import prices decreased by 4.2% after a 3.3% decline in November. The fall of the total annual import price index was primarily driven by a 7.3% drop in ‘machinery and transport equipment’. Prices also fell in ‘miscellaneous manufactured articles’ (-6.0%) and in ‘chemicals and related products’ (-1.1%). ‘Manufactured goods classified chiefly by material’ prices ticked up 0.7%.

The **terms of trade** figures increased to the value of 101.5% (100.6% in November) staying in the positive values for the third successive month. Among significant groups, positive values were reached by prices of ‘crude materials, inedible, except fuels’ (111.2%), ‘machinery and transport equipment‘ (102.6%), and ‘miscellaneous manufactured articles’ (101.9%). ‘Manufactured goods classified chiefly by material’ and ‘chemicals and related products’ reached negative values of terms of trade – 99.7% and 99.8%, respectively.

**Trend in 2017**

For the whole year 2017, annual **export prices** edged down 0.1% (-3.1% in 2016), **import prices** ticked up 0.9% (-4.0% in 2016).

**Exports:** prices were falling in ‘machinery and transport equipment‘ (-2.2%) and ‘miscellaneous manufactured articles’ (-1.0%) Price growth was registered in ‘mineral fuels, lubricants and related materials’ (+16.3), ‘crude materials, inedible, except fuels’ (+10.3%), and ‘food and live animals’ (+2.2%).

**Imports:** prices significantly grew in ‘mineral fuels, lubricants and related materials’
(+13.9%), ‘crude materials, inedible, except fuels’ (+10.3%), and ‘manufactured goods classified chiefly by material’ (+4.9%). ‘Machinery and transport equipment‘ prices decreased by 2.9%, ‘miscellaneous manufactured articles’ prices dropped 2.2%.

**The terms of trade** figures in 2017 reached the value of 99.0% (100.9% in 2016).

Revision of external trade price indices

Revision of external trade price indices is now under way by Czech Statistical Office. Upon completion from January 2018, export and import price indices will be calculated using new weighting scheme based upon External trade statistics data from year 2015 and national concept data while implementing new price base - year 2015 average = 100. These new technical indices will replace the old technical indices (hitherto calculated to the base year 2010 = 100). Existent time series (2005 avg. = 100) will be recalculated to the new base (2015 avg. = 100) and subsequently chained by technical indices starting in December 2017. New indices with base year 2015 avg. = 100 will be linked to the new time series thus enabling continuation of current time series. All derived indices will be calculated using time series of base year 2015 avg. = 100. Publishing of price indices with base year 2005 avg. = 100 will be terminated in December 2017. Hitherto published indices will not be revised.

January 2018 data will be released on March 29 2018 within the scope of Catalogue of Products.

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: 29 March 2018

*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)