December 10, 2013

Imports grew faster than exports

## External trade – October 2013

**In October 2013, according to preliminary data of ‘cross−border statistics’, exports and imports at current prices increased by 3.1% and 3.2% respectively, year-on-year (y−o−y). The trade balance ended in a surplus of CZK 33.6 bn, which was by CZK 0.8 bn higher compared to October 2012.**

According to preliminary data of ‘cross−border statistics’, seasonally adjusted exports fell by 0.2% while imports grew by 2.3% respectively **compared to September 2013**. The development trend shows stagnating exports and growing imports (+0.6%).

**Year−on−year**, exports and imports at current prices went up by 3.1% (CZK +9.0 bn) and 3.2% (CZK +8.2 bn). The external trade turnover rose to CZK 557.3 bn and achieved the highest monthly value since 1993. Exports of entities seated in the Czech Republic were higher by 4.2% (CZK +9.0 bn) while exports entities seated outside the Czech Republic remained without changes, y−o−y. Imports of entities seated in the Czech Republic increased by 1.1% (CZK +2.3 bn) and imports of entities seated outside the Czech Republic grew by 15.4% (CZK +5.9 bn).

Due to depreciation of the *koruna* against euro and appreciation of that to US dollar, exports and imports in terms of euro grew by 0.2% and 0.3% respectively. In terms of US dollars exports and imports increased by 5.3% and 5.4% respectively, y−o−y.

In October, the trade balance ended in a surplus of CZK 33.6 bn which was by CZK 0.8 bn higher y−o−y. The balance of trade of entities seated in the Czech Republic showed a surplus of CZK 5.2 bn (against a deficit of CZK 1.4 bn in October 2012), the trade balance of entities not seated in the Czech Republic recorded a surplus of CZK 28.4 bn (compared to a surplus of CZK 34.2 bn in October 2012).

A decrease in deficit in ‘mineral fuels, lubricants and related materials’ and ‘beverages and tobacco’ by CZK 1.3 bn and CZK 0.1 bn respectively; and an increase in surplus in ‘machinery and transport equipment’ and ‘crude materials, inedible, except fuels’ (both by CZK 0.9 bn) and ‘miscellaneous manufactured articles’ by CZK 0.3 bn influenced the total trade balance favourably, y−o−y. Balance was negatively affected by deepening of deficit in chemicals and related products’ and ‘food and live animals’ (by CZK 2.0 bn and CZK 0.1 bn respectively); and by an decrease in surplus in ‘manufactured goods classified chiefly by material’ (by CZK 0.3 bn).

Total 'machinery and transport equipment' exports grew by 5.1% (CZK +7.7 bn), y−o−y. Exports grew mainly in ‘road vehicles’ (CZK +7.4 bn), general industrial machinery and equipment’ (CZK +1.7 bn) and ‘electrical machinery, apparatus and appliances’ (CZK +1.6 bn). Exports of ‘office machines, automatic data−processing machines’ dropped (CZK −5.1 bn). Total 'machinery and transport equipment' imports were by 6.7% (CZK +6.8 bn) higher, y−o−y. Imports rose mainly in ‘telecommunications and sound-recording equipment’ (CZK +2.1 bn) and ‘office machines, automatic data−processing machines’ (CZK +1.8 bn) and ‘electrical machinery, apparatus and appliances’ (CZK +1.4 bn). Imports of ‘mineral fuels, lubricants and related materials’ fell by 6.1% (CZK −1.7 bn) y−o−y. Imports of crude petroleum dropped by 21.2% in value and by 19.8% in volume. Imports of natural gas were higher by 4.6% in value and by 19.8% in volume.

The trade balance with EU28 Member States ended in a surplus of CZK 66.7 bn, which was by CZK 0.7 bn higher, y−o−y. Deficit of trade with non-EU countries amounting to CZK 32.1 bn remained unchanged from October 2012. Surplus rose in trade with Slovakia (by CZK 2.2 bn) and Hungary (by CZK 1.0 bn); and deficit shrank in trade with Azerbaijan (by CZK 2.2 bn) and Japan (by CZK 1.4 bn). On the other hand, deficit deepened in trade with China (by CZK 2.6 bn) and the Russian Federation (by CZK 0.9 bn); and surplus fell in trade with Germany (by CZK 2.3 bn).

In **January−October 2013,** exports grew by CZK 0.8 bn and imports fell by 0.8%. The trade balance surplus reached CZK 306.5 billion which was by CZK 39.9 billion higher, y-o-y. Surplus increased mainly in ‘machinery and transport equipment’ (by CZK 29.8 bn) and ‘miscellaneous manufactured articles’ (by CZK 14.4 bn). A larger deficit in ‘mineral fuels, lubricants and related materials’ (by CZK 7.1 bn) affected the total balance negatively.

**The trade balance in national concept** (methodology of balance of payments) reflecting performance of the Czech economy showed a surplus of CZK 11.9 bn in October 2013. The data on exports and imports of goods, calculated by using the VAT data according to this concept, are available in Table 8 and in the time series External trade in goods according to change of ownership (national concept).

Notes:

*According to the CZSO sources data were obtained from 98.5% of companies (for goods dispatched) and 98.5% of companies (for goods arrived) obliged to report to the Intrastat system. Data for companies, exempted from the reporting duty, in accordance with the amended Decree No. 201/2005 Sb., and for companies that failed to report, have been imputed. The imputation methods are based on data of trade implemented that the companies reported in the previous period and data given in the VAT return forms.*

*The data for individual months of 2012 are final; the data for individual months of 2013 are preliminary. Preliminary data of the reference month are released together with updated data of the previous three months. All data are processed from basic reporting units and subsequently rounded.*

*After the accession of the Czech Republic to the European Union, two systems of data collection are used as a source on external trade statistics in cross-border conception (cross−border statistics). Extrastat records data on trade with the non-EU countries and uses some data from Single Administrative Documents. Intrastat collects data on movement of goods within the European Union for entities that are obliged to provide Intrastat data. According to legal regulations of the European Communities, entities registered for Value Added Tax have a duty to provide data for Intrastat regardless of the fact, whether an entity is or is not seated in the Czech Republic (resident or non-resident). Detailed information is available in external trade methodology:* [*http://www.czso.cz/eng/redakce.nsf/i/whatisexternal\_trade*](http://www.czso.cz/eng/redakce.nsf/i/whatisexternal_trade)

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*Method of data collection: Intrastat forms and Single administrative documents.*

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

*Documents available on the CZSO website: w-6001-13 External Trade of the Czech Republic –detailed breakdown (periodicity: monthly):* [*http://czso.cz/csu/2013edicniplan.nsf/engp/6001-13*](http://czso.cz/csu/2013edicniplan.nsf/engp/6001-13)

*External Trade Database:* [*http://apl.czso.cz/pll/stazo/STAZO.STAZO?jazyk=EN*](http://apl.czso.cz/pll/stazo/STAZO.STAZO?jazyk=EN)

*Next News Release: January 6, 2014*

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