8 December 2020

Trade Balance Favourably Affected by Motor Vehicle Exports

## International Trade in Goods (change of ownership) – October 2020

**According to preliminary data in current prices, the trade balance of goods in October 2020 ended in a surplus of CZK 33.4 bn, which was by CZK 24.4 bn higher, year−on−year (y−o−y).**

The total balance of international trade1) in goods2) was favourably influenced mainly by a y−o−y increase of the balance surplus in 'motor vehicles, trailers and semitrailers' by CZK 7.7 bn (mainly due to a growth of exports by CZK 9.3 bn). A trade deficit in 'crude petroleum and natural gas' shrank by CZK 4.1 bn due the impact of falling prices on world markets and lower imported quantities.

Further, the balance of trade in 'basic metals' improved, as the deficit decreased by CZK 2.9 bn. The surplus of the trade balance grew in 'fabricated metal products' and 'other transport equipment' (both by CZK 1.7 bn); and in 'machinery and equipment' (by CZK 1.6 bn).

In October 2020, the trade balance with the EU273) Member States ended in a surplus of CZK 80.7 bn, which was by CZK 23.4 bn higher, y−o−y. The highest y−o−y increase of surplus (CZK +16.4 bn) was recorded in trade with Germany.

The trade deficit with non−EU27 countries shrank by CZK 1.7 bn to reach an  amount of CZK 45.2 bn. Above all, the trade balance with the Russian Federation improved by CZK 6.4 bn (as a deficit turned into a surplus).

**Compared to September 2020**, the seasonally adjusted exports and imports rose by 4.7% and 3.4%, respectively. The trend shows increasing exports (+3.2%) and imports (+2.4%).

Compared to the same month in 2019, October exports increased by 5.6% to CZK 359.6 bn while imports fell by 1.7% to CZK 326.2 bn. October 2020 had one less working day than October 2019.

In the period from **January to October 2020**, the trade balance surplus reached CZK 142.1 bn, which represented an increase by CZK 0.4 bn, y−o−y. From the beginning of the year, exports and imports went down by 7.9% and 8.2%, respectively, y−o−y.

Detailed information on international trade in goods (change of ownership) can be found at:

<https://www.czso.cz/csu/czso/external_trade_in_goods_according_to_the_change_of_ownership_-national_concept-_>.

*Beware of the terminology change:*

*Since 2020, the Czech Statistical Office (CZSO) has changed the terminology and the manner in which dat*a 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)*.*

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 is not 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 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\_ts*](https://www.czso.cz/csu/czso/vzonu_ts)

*Next News Release will be published on: 6 January 2021*

Annex:

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