10 September 2020

Import Prices Continued to Decrease

Export and Import Price Indices – July 2020

In July 2020 export prices and import prices decreased month-on-month by 0.9% and 0.3%, respectively. The terms of trade reached the value of 99.4%. Export prices increased year-on-year by 1.2% and import prices decreased by 1.4%, y-o-y. The terms of trade reached the value of 102.6%.

**Month-on-Month Comparison**

**Export prices** decreased by 0.9%, month-on-month (m-o-m) in July 2020. The fall in the monthly export price index was essentially affected by a decrease in prices of ‘machinery and transport equipment’ by 0.9%. The largest price decline was recorded in ‘crude materials, inedible, except fuels’, ‘food and live animals’ and ‘manufactured goods classified chiefly by material’ by 2.0%, 1.6% and 1.4%, respectively. Only the prices of the monitored section of SITC classification of ‘mineral fuels, lubricants and related materials’ increased, especially electric current, by 5.8%.

**Import prices** decreased by 0.3%, m-o-m, in July 2020. The greatest effect on an overall fall in the monthly import price index was brought mainly by a decrease in ‘machinery and transport equipment’ by 1.3%. Prices declined the most in ‘crude materials, inedible, except fuels’ and in ‘food and live animals’ by 2.4% and 1.9%, respectively. Only the prices of ‘mineral fuels, lubricants and related materials’ increased, especially petroleum, by 17.4%.

The **terms of trade** reached the value of 99.4%. The lowest negative values of the terms of trade were reached in ‘mineral fuels, lubricants and related materials’ (90.1%), ‘miscellaneous manufactured articles’ (99.0%) and in ‘manufactured goods classified chiefly by material’ (99.5%). On the contrary, the highest positive values of the terms of trade were reached in ‘machinery and transport equipment’ and ‘crude materials, inedible, except fuels’ (identically 100.4%).

**Year-on-Year Comparison**

**Export prices**,mainly due to the weakening of the CZK to EUR and USD, increased by 1.2%, year-on-year (y-o-y) (in June 2020 by 2.0%). The growth in the export price index was essentially affected by an increase in prices of ‘machinery and transport equipment’ by 3.5%. Prices increased in ‘beverages and tobacco’, ‘food and live animals’ and in ‘miscellaneous manufactured articles’ by 6.5%, 3.7% and 2.7%, respectively. Prices decreased the most in ‘mineral fuels, lubricants and related materials’, especially petroleum products, and in ‘crude materials, inedible, except fuels’, especially crude rubber and metal scrap, by 17.3% and 7.4%, respectively.

**Import prices** decreased by 1.4%, y-o-y (in June 2020 by 1.5%). The fall in prices of ‘mineral fuels, lubricants and related materials’ by 31.6%, especially petroleum and petroleum products, had the strongest effect on the decrease of the annual import price index. Prices declined in ‘crude materials, inedible, except fuels’ and in ‘chemicals and related products’ by 7.2% and 2.6%, respectively. On the contrary, price growth was recorded in ‘food and live animals’, ‘machinery and transport equipment’ and in ‘miscellaneous manufactured articles’ by 3.6%, 3.0% and 2.5%, respectively.

The **terms of trade** decreased to the value of 102.6% (they reached 103.6% in June 2020); however, for the fifth month they remained in positive values. The highest positive values of the terms of trade were reached in ‘mineral fuels, lubricants and related materials’ (120.9%), ‘beverages and tobacco’ (108.0%) and in ‘machinery and transport equipment’ (100.5%). On the contrary, negative values of the terms of trade were recorded in ‘chemicals and related products’ (99.3%) and ‘crude materials, inedible, except fuels’ (99.8%).

Notes:

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Data source: Sample survey of the CZSO

End of data collection: 15th calendar day after the reference month end

Related Internet-published document: 013014-20 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 published in the News Release are final data.

Next News Release shall be published on: 12 October 2020

Annexes:

Table 1 Export and Import Price Indices

Table 2 Export and Import Price Indices (breakdown of increments of published and exchange rate adjusted indices – month-on-month, year-on-year)

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