October 7, 2021

The August Trade Balance Ended in a Deficit

**International Trade in Goods (change of ownership) –**

August 2021

According to preliminary data in current prices, the trade balance of goods in August 2021 ended in a deficit of CZK 28.1 bn, which was by CZK 35.6 bn worse result, year−on−year (y−o−y).

The total balance of international trade1) in goods2) was **negatively affected** mainly by a y−o−y decrease of the trade surplus in 'motor vehicles, trailers and semitrailers' by CZK 10.4 bn. Further, the trade deficit deepened in 'crude petroleum and natural gas' by CZK 8.9 bn, 'basic metals' by CZK 6.7 bn, 'computer, electronic and optical products' by CZK 3.8 bn and 'chemicals and chemical products' by CZK 2.6 bn. The trade balance in 'electrical equipment' deteriorated by CZK 2.8 bn as a surplus turned into a deficit.

The total balance was **favourably influenced** mainly by larger trade surpluses in 'fabricated metal products' and 'electricity, gas and steam' by CZK 2.1 bn and by CZK 1.1 bn, respectively.

**Y−o−y,** **exports** increased by 8.2% to CZK 277.5 bn and **imports** grew by 22.7% to CZK 305.5 bn. August 2021 had one working day more than August 2020.

In the period from **January to August 2021,** the trade balance surplus reached CZK 44.8 bn, which represented a decrease by CZK 22.1 bn, y−o−y. From the beginning of the year, exports and imports grew by 20.0% and 21.7%, respectively, y−o−y.

**Month-on-month**, the seasonally adjusted **exports** and **imports** fell by 5.7% and 1.5%, respectively. The trend shows decreasing exports (−0.4%) and imports (−0.2%).

In August 2021, the trade balance with the **EU273)** Member States ended in a surplus of CZK 36.8 bn, which was CZK 3.5 bn lower, y−o−y. The highest y−o−y decreases of surplus were recorded in trade with the Netherlands (by CZK 1.4 bn) and Belgium (by CZK 1.3 bn). On the other hand, surplus improved in trade with Austria by CZK 1.3 bn.

In August 2021, exports to **Eurozone** countries constituted 64.0% of all Czech exports; imports from Eurozone countries to the Czech Republic constituted 46.0% of all Czech imports. Y−o−y, exports to the Eurozone went up by 9.2% (CZK +15.0 bn) to CZK 177.6 bn; imports from the Eurozone increased by 14.1% (CZK +17.3 bn) and reached CZK 140.4 bn. In August 2021, the Czech crown strengthened against the Euro on average by 2.7%, y−o−y.

The trade deficit with **non−EU27** countries increased by CZK 31.7 bn to reach an amount of CZK 63.1 bn. The trade deficit grew mainly with China by CZK 8.9 bn, Japan by CZK 2.7 bn and South Korea by CZK 2.5 bn. The trade balance deteriorated with the Russian Federation by CZK 6.8 bn as a surplus turned into a deficit.

Methodological note:

Since 2020, the Czech Statistical Office (CZSO) has changed the terminology and the manner in which data 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%20)

Notes:

*1)* *The* ***international trade balance*** *is the difference between exports from the Czech Republic and imports 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 has not been 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 2021 is preliminary; data up to and including year 2020 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 sets:* [*https://www.czso.cz/csu/czso/vzonu\_cr*](https://www.czso.cz/csu/czso/vzonu_cr)

*Next News Release will be published on: November 8, 2021*

*Annex:*

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