September 6, 2021

Trade Balance Affected by Higher Value of Fossil Fuels Imports

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

July 2021

According to preliminary data in current prices, the trade balance of goods in July 2021 ended in a deficit of CZK 7.2 bn, which was by CZK 21.3 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 higher trade deficit in 'crude petroleum and natural gas' by CZK 6.8 bn, 'basic metals' by CZK 5.2 bn, and 'chemicals and chemical products' by CZK 2.4 bn. Further, surplus in 'motor vehicles, trailers and semitrailers' decreased by CZK 3.2 bn; and the trade balance in 'electrical equipment' deteriorated by CZK 2.4 bn as a surplus turned into a deficit.

The total balance was **favourably influenced** mainly by a larger trade surplus in 'waste products' by CZK 1.6 bn and in commodities in division 'electricity, gas and steam' by CZK 1.3 bn.

**Y−o−y,** **exports** increased by 4.3% to CZK 299.8 bn and **imports** grew by 12.3% to CZK 307.1 bn. July 2021 had two working days less than July 2020.

In the period from **January to July 2021,** the trade balance surplus reached CZK 77.6 bn, which represented an increase by CZK 18.1 bn, y−o−y. From the beginning of the year, exports and imports grew by 21.3% and 21.0%, respectively, y−o−y.

**Month-on-month**, the seasonally adjusted **exports** grew by 3.1% while **imports** fell by 1.3%. The trend shows increasing exports (+0.9%) and imports (+0.7%).

In July 2021, the trade balance with the **EU273)** Member States ended in a surplus of CZK 44.2 bn, which was CZK 5.4 bn lower, y−o−y. The highest y−o−y decreases of surplus were recorded in trade with Germany (by CZK 3.2 bn), the Netherlands (by CZK 1.6 bn) and Slovakia (by CZK 1.0 bn).

In July 2021, exports to **Eurozone** countries constituted 64.8% of all Czech exports; imports from Eurozone countries to the Czech Republic constituted 49.4% of all Czech imports. Y−o−y, exports to the Eurozone went up by 5.3% (CZK +9.8 bn) to CZK 194.4 bn; imports from the Eurozone increased by 12.0% (CZK +16.2 bn) and reached CZK 151.6 bn. In July 2021, the Czech crown strengthened against the Euro on average by 3.4%, y−o−y.

The trade deficit with **non−EU27** countries increased by CZK 15.7 bn to reach an amount of CZK 49.5 bn. The trade balance deteriorated with the Russian Federation and Turkey by CZK 5.8 bn and CZK 2.4 bn, respectively, as a surplus turned into a deficit. The trade deficit deepened with Japan by CZK 2.7 bn.

The CZSO has carried out the final revision of the annual data. According to the **final 2020 data**, y−o−y exports and imports fell by 5.7% to CZK 3 483.1 bn and by 6.9% to CZK 3 303.1 bn, respectively. Balance of international trade in goods for the year 2020 reached a surplus of CZK 179.9 bn against CZK 145.7 bn in 2019.

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 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 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.*

*Responsible head at the CZSO:* *Miluše Kavěnová, Director of International Trade Statistics Department, phone number (+420) 274 054 176,*

*e-mail:* [*miluse.kavenova@czso.cz*](mailto:miluse.kavenova@czso.cz)

*Contact person:* *Stanislav Konvička, Head of Trade Balance Unit, phone number (+420) 274 054 254,*

*e-mail:* [*stanislav.konvicka@czso.cz*](mailto:stanislav.konvicka@czso.cz)

*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: October 7, 2021*

*Annex:*

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