September 6, 2016

## External trade – July 2016

**In July 2016, according to preliminary data of ‘national concept' in current prices, the trade balance ended in a deficit of CZK 1.5 bn compared to a surplus of CZK 4.4 bn in July 2015.**

In July 2016 external trade figures were influenced by the factory holidays in the car industry and three working days less compared to July 2015.

**Year−on−year (y−o−y),** total balance in 'national concept' was unfavourably influenced by a decrease in surplus of balance 'machinery and transport equipment' (by CZK 11.7 bn) mainly due to a lower surplus in 'road vehicles' (by CZK 16.7 bn. Furthermore, deficit in 'food and live animals' and 'beverages and tobacco' deepened (both by CZK 0.1 bn). Total balance was favourably affected by a decrease of deficit in 'mineral fuels, lubricants and related materials' (by CZK 2.3 bn) and 'chemicals and related products' (by CZK 0.4 bn). Surplus in 'manufactured goods classified chiefly by material' grew (by CZK 2.2 bn) and the trade balance in 'crude materials' improved (by CZK 0.6 bn) as a deficit turned into a surplus.

The trade balance with EU28 Member States ended in a surplus of CZK 31.8 bn, which was a y−o−y decrease by CZK 13.2 bn. Deficit of trade with non-EU countries shrank by CZK 7.4 bn to amount to CZK 31.8 bn.

**Month-on-month**, in ‘national concept’ seasonally adjusted exports and imports fell by 12.0% and 5.9% respectively. The development trend shows increasing exports (+0.6%) and decreasing imports (−2.3%).

**Year−on−year,** 'national concept' exports and imports decreased by 16.5% (to CZK 227.4 bn) and by 14.6% (to CZK 228.9 bn) respectively.

In **January−July 2016,** trade surplus in 'national concept' reached CZK 132.0 bn which represented a y−o−y increase of CZK 38.9 bn. From the beginning of the year exports went up by 0.3% while imports fell by 1.8%, y−o−y.

The CZSO has carried out theregular annual update. The **final 2015 data in** '**national concept**'says, that y-o-y exports and imports grew by 3.6% to CZK 3 263.0 bn and 4.3% to CZK 3 132.0 bn respectively. The trade balance for the year 2015 reached a surplus of CZK 131.0 bn against CZK 146.0 bn in 2014.

Detailed information on external trade in 'national concept' is available on website: <https://www.czso.cz/csu/czso/vzonu_ts>. Preliminary data are based on the cross-border trade of residents and estimates of internal trade between residents and non-residents. These estimates will be updated next month.

**In July 2016, according to preliminary data of ‘cross-border concept’ in current prices, exports and imports fell by 14.2% and by 12.3% respectively, y−o−y.**

**Y−o−y**, in terms of euro, exports and imports decreased by 14.1% and by 12.2% respectively. In terms of US dollars exports and imports were lower by 13.5% and by 11.6% respectively compared to July 2015.

Total exports of goods in ‘cross-border concept’ (goods leaving the Czech Republic territory) amounted to value of CZK 277.7 bn and total imports in ‘cross-border concept’ (goods entering the Czech Republic territory) reached CZK 253.2 bn.

Total 'machinery and transport equipment' exports dropped by 18.6% (CZK −33.6 bn), y−o−y. Exports fell mainly in 'road vehicles' (CZK −21.5 bn), 'office machines, automatic data-processing machines' (CZK −4.4 bn) and 'electrical machinery, apparatus and appliances' (CZK −3.0 bn). Total 'machinery and transport equipment' imports were lower by 13.5% (CZK −17.2 bn), y−o−y. Imports decreased mainly in 'road vehicles' (CZK −4.7 bn), 'power-generating machinery and equipment' (CZK −3.3 bn) and 'telecommunication and sound-recording equipment' (CZK −2.9 bn). Imports of 'mineral fuels, lubricants and related materials’ dropped by 31.6% (CZK −6.7 bn), y−o−y. Imports of crude petroleum decreased by 58.9% in value and by 31.7% in volume. Imports of natural gas were lower by 49.2% in value and by 33.5% in volume.

In **January−July 2016,** exports in cross-border concept grew by 2.7% while imports fell by 0.4% y−o−y.

The **final 2015 data** says, that y-o-y exports and imports in cross-border concept grew by 7.0% to CZK 3 883.2 bn and 8.7% to CZK 3 477.0 bn respectively.

Detailed information on external trade in ‘cross-border concept’ is available on website: <https://www.czso.cz/csu/czso/vzoph_ts>.

Notes:

***National concept of external trade*** *reflects export and import performance of the Czech economy, i.e. the external trade balance of the Czech Republic as well. It measures real trade in goods carried out between the Czech and foreign entities, i.e. a change of ownership between residents and non-residents.* ***Cross-border concept of external trade*** *reflects only physical movements of goods across the border regardless of whether the trade between the Czech and foreign entities occurs. These data are internationally comparable and can be used as indicators of development of value of the trade.*

*Exports and imports in ‘national concept’ are derived from adjustments of data on movement of goods across the border (‘cross-border concept’). Goods which are moved in/from the territory of the Czech Republic by foreign entities are excluded and, on the other hand goods traded between the Czech and foreign entities on the territory of the Czech Republic are taken into account. Table 5 on website:* [*https://www.czso.cz/csu/czso/vzonu\_ts*](https://www.czso.cz/csu/czso/vzonu_ts) *shows this adjustment.*

The both concepts of external trade include the value of goods sent for inward or outward processing. Goods sent for processing are excluded from the value of exports and imports in the balance of payments and in the national accounts according to ESA and BPM6.

The data in national concept are used as an input data source for the balance of the payments and the national accounts.

*The published data are based on data obtained of* *98.9% of companies (for goods dispatched) and 98.8% of companies (for goods arrived) obliged to report to the Intrastat system.* *Data for companies that failed to report (non-response) have been imputed according to dispatches and arrivals that these companies reported in the previous periods. Data for companies exempted from the reporting duty were estimated on the basis of the data given in the VAT return forms. The VAT data which are not available are extrapolated on the basis of the values in previous periods.*

The data for individual months of 2015 are final; the data for individual months of 2016 are preliminary. All data are processed from basic reporting units and subsequently rounded.

Detailed methodology information is available on website of the CZSO:

***National concept:***

[*https://www.czso.cz/csu/czso/2-vzonu\_m*](https://www.czso.cz/csu/czso/2-vzonu_m)

***Cross-border concept:***

[*https://www.czso.cz/csu/czso/whatisexternal\_trade*](https://www.czso.cz/csu/czso/whatisexternal_trade)

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

 *Value Added Tax declaration forms*

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

*Documents available on the CZSO website: w-241013-16 External Trade of the Czech Republic –detailed breakdown (periodicity: monthly):* [*https://www.czso.cz/current-product/41320*](https://www.czso.cz/current-product/41320)

*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: October 7, 2016*

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