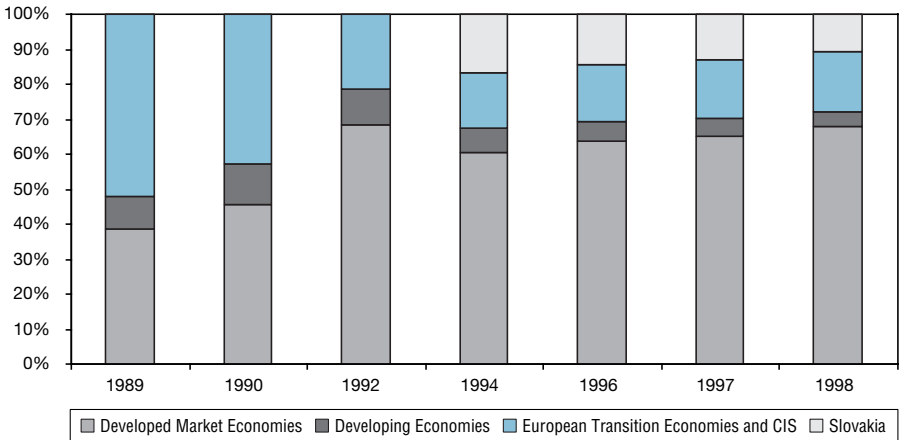


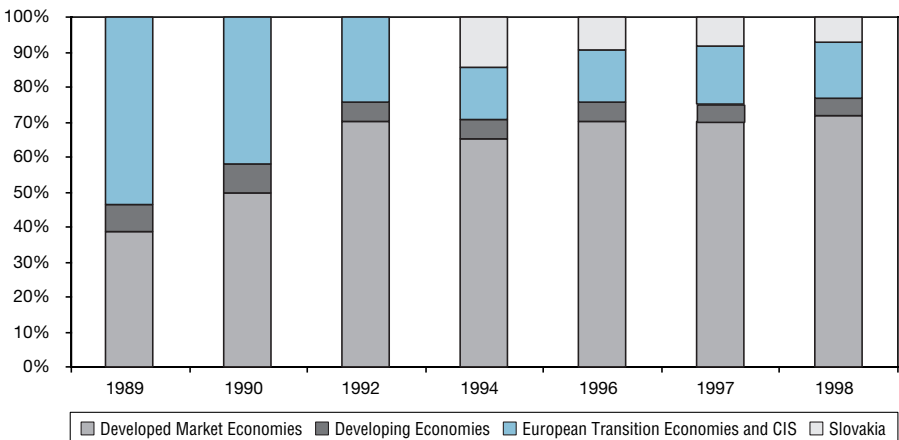
V. FOREIGN TRADE

V.1 Exports and Imports by Groups of Countries

Exports by Country



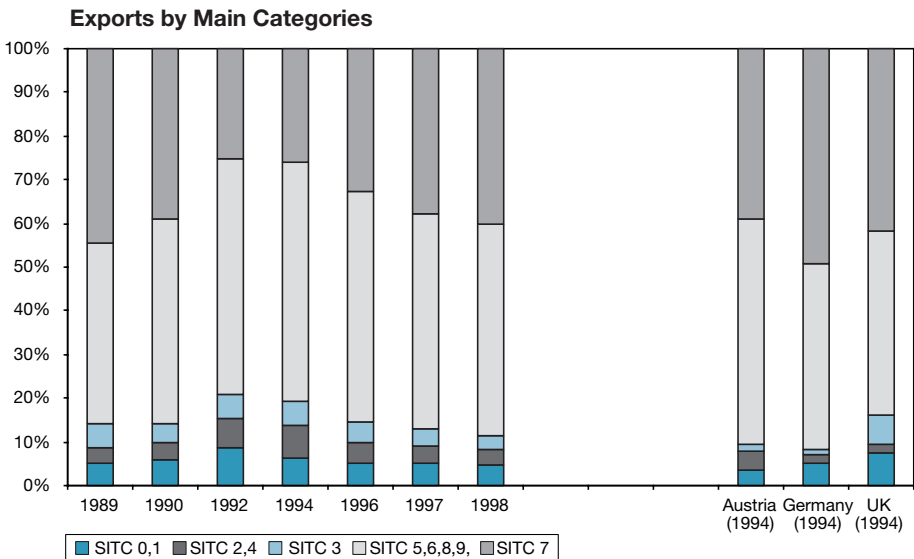
Imports by Country



[See Hanousek, Filer (CERGE, 1998) for more details]

The transition started optimistically with a trade surplus in the early years; however, the current account deteriorated very sharply during 1996, and the “magic” barrier of 8% of GDP was exceeded. Recent developments in Czech foreign trade have led to a slight improvement in the trend, namely, export growth has surpassed import growth. Nevertheless, the trade imbalance is still an issue. The trade deficit reached almost 80 billion CZK by the end of 1998 (it was 62.6 billion CZK as of November) and an import slowdown was caused by an overall decline in local demand.

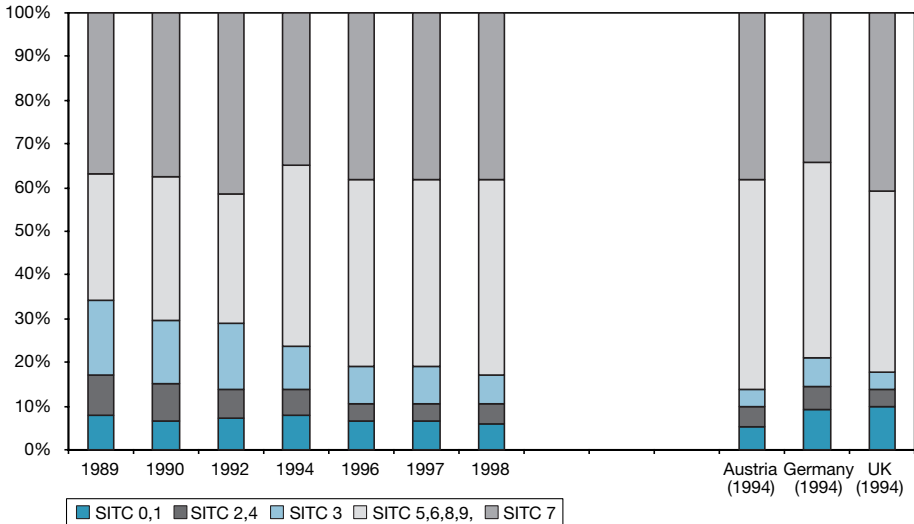
## V.2 Exports and Imports by Commodity Groups



The graphs are self-explanatory showing the successful re-orientation of foreign trade in the Czech Republic. Looking at the fig-

ures from 1990 to 1998, it is clear that EU members have replaced the former major trading partners (other transition econo-

### Imports by Main Categories



mies) and they currently account for more than 65% of trade.

Finally, the weakening of output growth may be a direct response to the expected

growth slowdown in the EU countries. On the other hand, a decline in trade with Slovakia reflects Slovak market protectio-

#### Top 10 Exporters in 1997

Top Ten Exporters 1997	Export, bill.CZK
Škoda auto, a.s.	57
Škoda, a.s.	18
Nová huť, a.s.	11
Vítkovice, a.s.	10
OKD, a.s.	10
Vítkovice – Export, a.s.	8
Chemopetrol, a.s.	7
Tatra, a.s.	6
Metalimex, a.s.	6
Česká rafinérská, a.s.	6

Note: Škoda auto, a.s. is not affiliated with Škoda, a.s.  
Source: Czech Top 100, ING Barings, 1998

#### Classification Scheme of the SITC, rev. 3

Category
0 Food and live animals
1 Beverages and tobacco
2 Crude materials
3 Fuels and related products
4 Animals and plant's oils, fats and waxes
5 Chemicals and related products
6 Intermediate manufactured products
7 Machinery and transport equipment
8 Miscellaneous manufactured articles
9 Other commodities and products of trade

Source: External Trade in 1998 (CSO publication)