

Export/Import Price Indexes – July 2017

- The Export Price Index (won basis) increased 1.0 percent from the previous month.
 - The index increased 8.0 percent over the last 12 months.

- The Import Price Index (won basis) increased 0.4 percent from the previous month.
 - It increased 5.4 percent over the last 12 months.

Percent change in Export/Import Price Indexes ^{1), 2)}

(won basis, %)

| | | Weight | Monthly change | | | | Yearly change | | | |
|---------|--|--------|----------------|----------------|----------------|-------------------|---------------|--------------|--------------|-------------------|
| | | | 2017 | | | | 2017 | | | |
| | | | Apr. | May. | Jun. | Jul. ^P | Apr. | May. | Jun. | Jul. ^P |
| Exports | All items ^{d)} | 1000.0 | 0.7 <0.8> | -1.2 <-0.6> | -0.2 <-0.7> | 1.0 <0.6> | 8.9 <10.5> | 5.1 <9.4> | 4.7 <8.4> | 8.0 <9.0> |
| | Agricultural, Forestry & Marine Products | 4.0 | 1.2 | 4.3 | 2.1 | 0.1 | 6.2 | 7.4 | 8.8 | 10.9 |
| | Manufacturing Products | 996.0 | 0.7 | -1.2 | -0.3 | 1.0 | 8.9 | 5.1 | 4.6 | 8.0 |
| Imports | All items ^{d)} | 1000.0 | 0.4 <0.4> | -1.4 <-0.9> | -1.2 <-1.8> | 0.4 <0.0> | 9.2 <11.0> | 4.1 <8.5> | 2.0 <5.9> | 5.4 <6.6> |
| | Raw Materials | 263.8 | 2.6 | -1.7 | -3.8 | -0.5 | 34.1 | 23.4 | 16.2 | 21.0 |
| | Intermediate Goods | 511.6 | -0.4 | -1.7 | -0.6 | 0.8 | 4.6 | -0.1 | -1.1 | 2.2 |
| | Capital Goods | 92.8 | 0.4 | -0.4 | 0.9 | 0.6 | -2.2 | -4.1 | -3.6 | -1.3 |
| | Consumer Goods | 131.8 | -0.4 | -0.7 | 0.1 | 0.5 | -1.4 | -3.9 | -4.0 | -1.3 |

Notes : 1) The figures in parentheses represent percent changes (%) on a contract currency basis.

2) The current month index is preliminary and subject to revision next month.

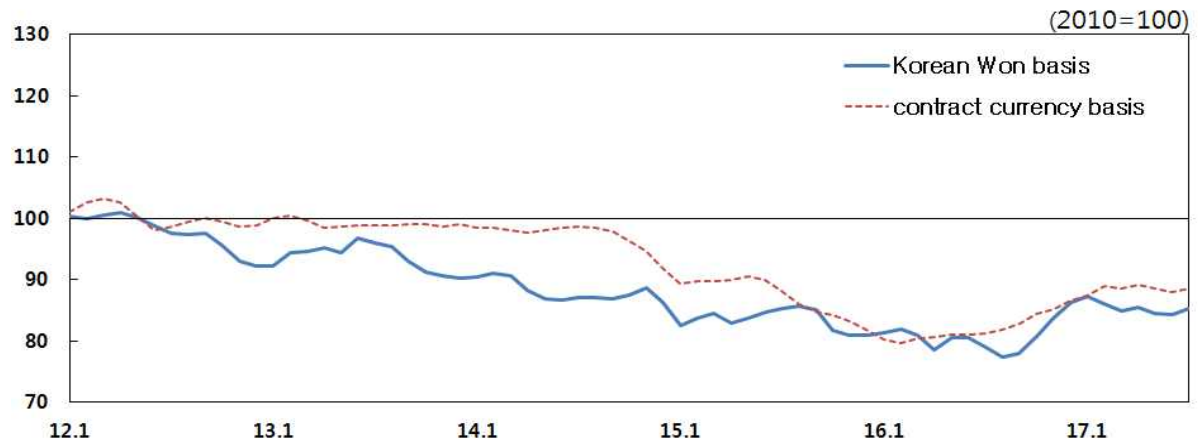
※ Further statistics can be found at the Bank of Korea's Economic Statistics System website (<http://ecos.bok.or.kr>).

< Chart >

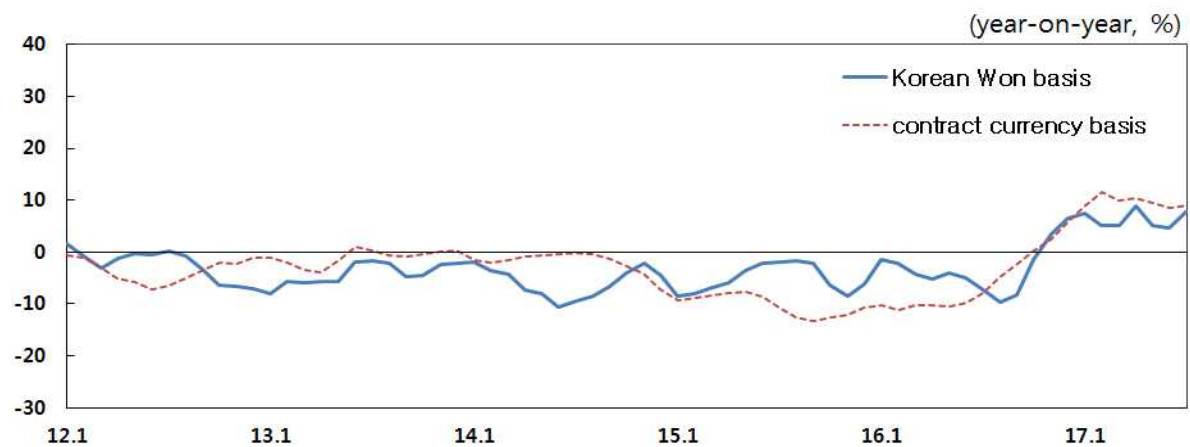
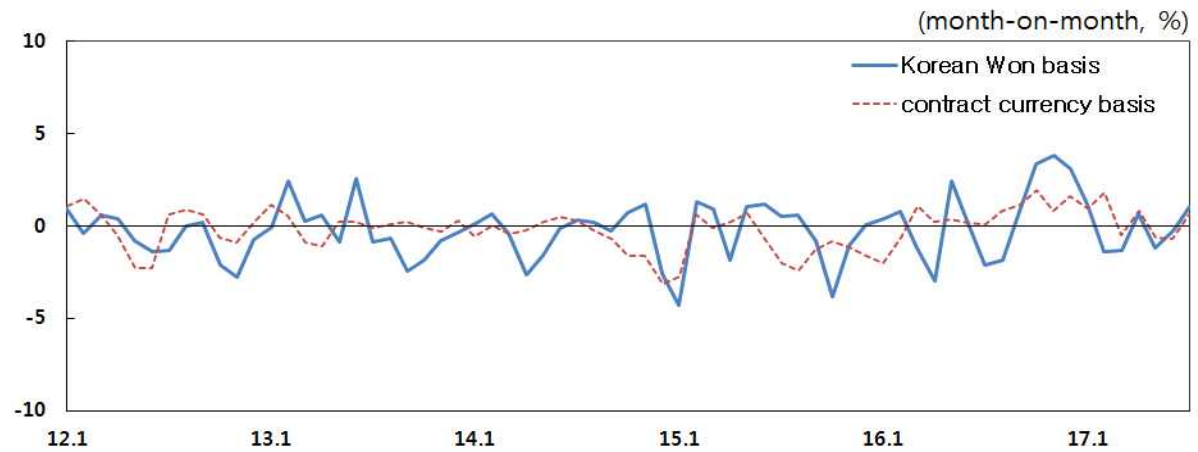
Export/Import Price Indexes

1. Export Prices

A. Index

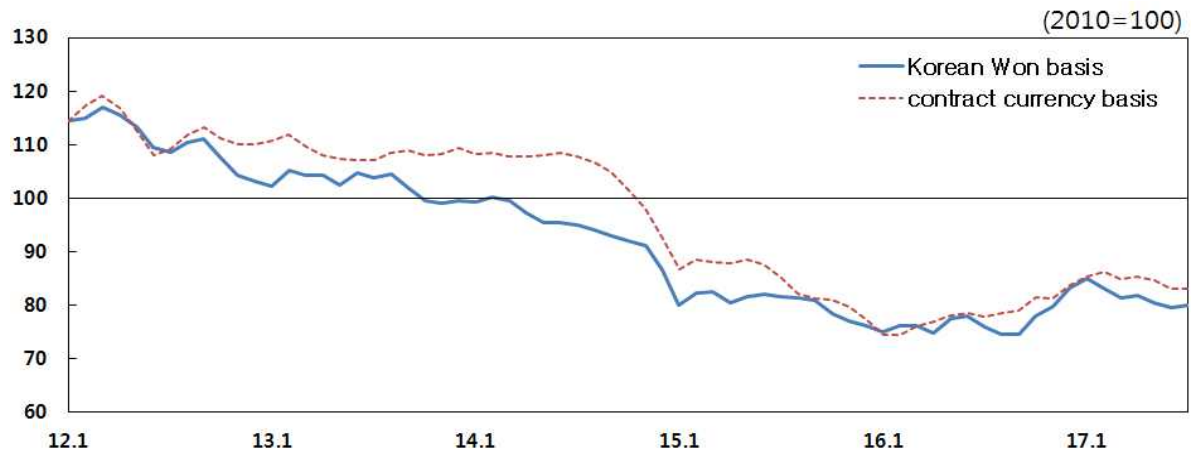


B. Changes

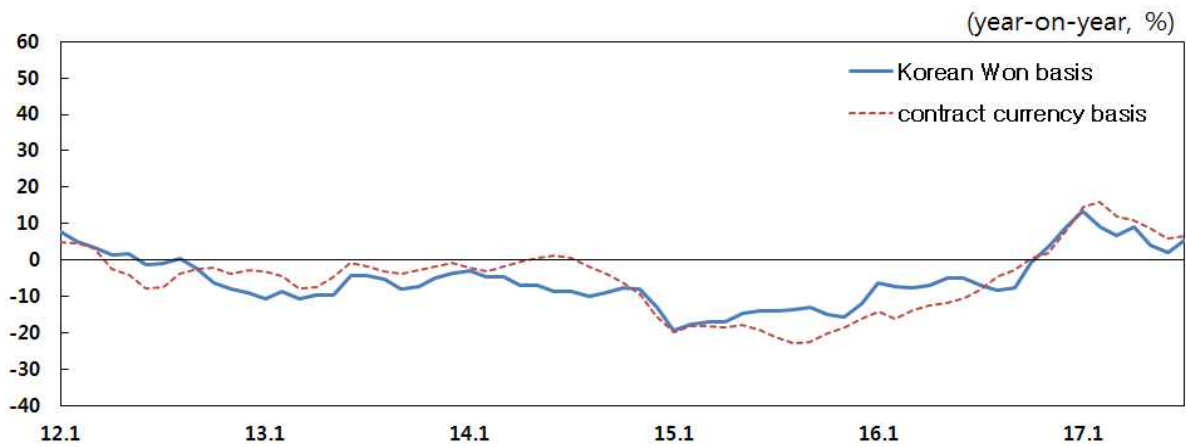
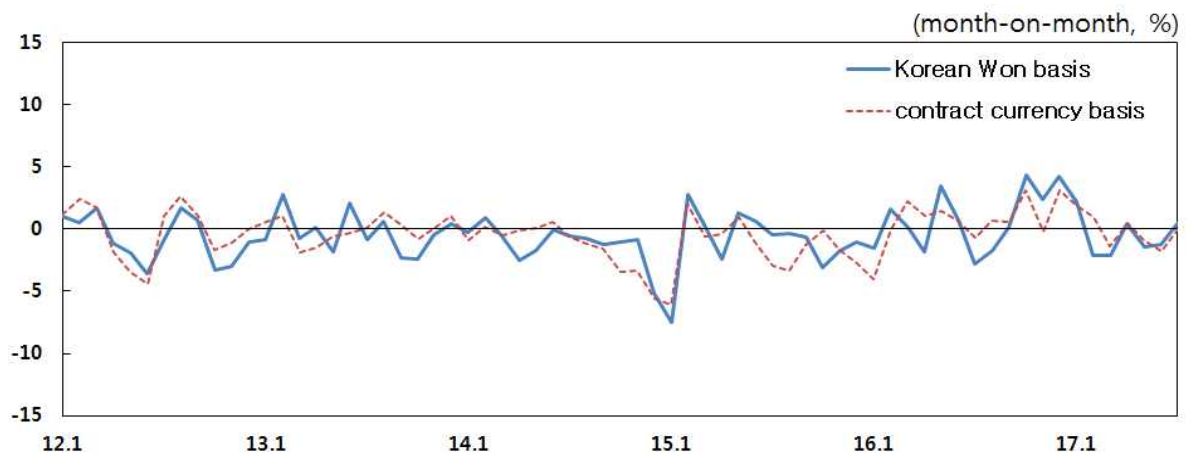


2. Import Prices

A. Index



B. Changes



How the Export/Import Price Indexes are compiled

1. Definition and use

- The Export/Import Price Indexes measure fluctuations in the prices of goods exported and imported. The indexes are used to gauge the effects of price fluctuations of these export/import items on domestic prices and the changes in their costs.

2. Frequency

- At the beginning of each month, prices for the previous month are surveyed.

3. Prices surveyed

- Average monthly prices are surveyed in principle, based upon the points at which the export/import contracts are entered into, so that they may serve as leading indicators of domestic prices.
- Export prices are surveyed on an FOB basis, and import prices on CIF. For some items, however, trade practices are applied.

4. Items subject to survey

- Only items whose export/import amounts account for more than 1/2,000 of the country's trading volume; that are representative of the price movements of items grouped within similar industries; whose quality standards are uniformly maintained; and whose time series on prices are tenable, are surveyed. As of 2017, 203 items for exports and 233 for imports have met these requirements.
- Items marked without comparable price quotations for considerable period(e.g. vessel, weapons, aircraft, works of art) are excluded.

5. Method of compilation

– Classification

- **Basic classification:** The industrial classification set out in the Korea Standard Industrial Classification (KSIC) is applied with necessary modifications as the basic classification. This is further broken down into two sub-categories for exports - agricultural, forestry & marine products and manufacturing products and three for imports - agricultural, forestry & marine products, mining products and manufacturing products.
- **Specialized classification:** For user convenience, the indexes are also classified into foods/non-foods; energy/items other than energy; information technology/items other than IT; and foods & energy/items other than foods & energy; as well as groupings by use (for IPI only), trade and industry type.

No. of Items and Weights of Each EPI/IPI Category (as of 2017)

| Category | | # of items | Weight | |
|----------------|------------------|--|---------------|-------|
| Exports | All items | 203 | 1000.0 | |
| | Basic | Agricultural, forestry & marine products | 3 | 4.0 |
| | | Manufacturing industry products | 200 | 996.0 |
| Imports | All items | 233 | 1000.0 | |
| | Basic | Agricultural, forestry & marine products | 17 | 38.5 |
| | | Mining products | 12 | 224.6 |
| | | Manufacturing industry products | 204 | 736.9 |
| | By use | Raw materials | 32* | 263.8 |
| | | Intermediate goods | 144* | 511.6 |
| Capital goods | | 36* | 92.8 | |
| Consumer goods | | 55* | 131.8 | |

* As weights are allocated in proportion to the input ratios of the items by use, the total number of items under the 'by use' category is not identical to the number of items for the total index, *i.e.* 233.

– Weights

- The weights of individual items are expressed in permillage in accordance with their shares in the total transaction amount.

– **Compilation**

- The headline indexes are compiled from Korean won-based indexes, which are produced by converting the contract prices of exports/imports so that their impacts on domestic prices may be easily followed. indexes based on contract currencies and on US dollars are compiled as supplementary indexes.
- The formula used to aggregate the indexes is a Lowe Chain weighted formula. The price reference and weighting period are changed every years, so as to increase the extent to which the Export/Import Price indexes reflect realities through improvements in the selection of items to be surveyed and their weights, in line with changes in the trade structure.

6. Notes on statistical use

- The purpose of the index is to measure the changes in the price, not to present absolute price levels.
- The Export/Import Price indexes are compiled on three different bases: the Korean won, the contract currencies and the US dollar. Users are hence advised to check the base currency first before using the indexes for statistical purposes.

< Appendix 2 >

Release date of Export/Import Price Indexes during 2017

| Statistics | Date |
|---|------------------|
| Export/Import Price Indexes during December 2016 | January 11 |
| Export/Import Price Indexes during January 2017 | February 14 |
| Export/Import Price Indexes during February 2017 | March 14 |
| Export/Import Price Indexes during March 2017 | April 14 |
| Export/Import Price Indexes during April 2017 | May 17 |
| Export/Import Price Indexes during May 2017 | June 16 |
| Export/Import Price Indexes during June 2017 | July 14 |
| Export/Import Price Indexes during July 2017 | August 11 |
| Export/Import Price Indexes during August 2017 | September 13 |
| Export/Import Price Indexes during September 2017 | October 17 |
| Export/Import Price Indexes during October 2017 | November 13 |
| Export/Import Price Indexes during November 2017 | December 12 |

Note: Embargoed for release until the evening paper of the relevant dates of release.
 (However, news agencies, broadcasting companies and internet-based media are embargoed for publication until 06:00 a.m. of the release date.)