30 June 2020

Profit and investment rate of corporations decreased

Quarterly sector accounts – the first quarter of 2020

According to seasonally adjusted data, the total of monetary and non-monetary income of households increased in real terms by 2.9%, quarter-on-quarter (q-o-q). The real consumption per capita increased by 2.1%, q-o-q, and the saving rate increased by 0.7 percentage point (p. p.). The investment rate of non-financial corporations decreased by 3.9 p. p. compared to the previous quarter.

Non-financial corporations: investment rate decreased, q-o-q

The *profit rate* in the Q1 2020 was 44.3%, which is by 0.2 percentage point less, quarter-on quarter, and by 0.3 p. p.1 less, year-on-year. The total labour costs of non-financial corporations increased by 2.6%1, y-o-y. The *investment rate* decreased more markedly by 3.9 p. p., q-o-q, and reached 26.3%. It decreased by 2.3 p. p.1, year-on-year.

Households: household income increased, q-o-q

*The total of real monetary and non-monetary income of households per capita* increased in the Q1 2020 by 2.9%, q-o-q, and by 2.9%1 in the year-on-year comparison, too. The *household real consumption per capita* grew slower, q-o-q, namely by 2.1%, q-o-q, and by 0.9%1 in the year-on-year comparison.

The ***average monthly income from employment*** reached CZK 35 6581 in the Q1 and it decreased in real terms by 3.6%, q-o-q; in the y-o-y comparison it was 0.7%1 up.

Resulting from the faster growth of household income compared to their expenditure was a higher ***saving rate*** compared to the previous quarter, i.e. 13.5%. The ***investment rate*** in the household sector decreased by 0.3 p. p., quarter-on-quarter, and reached 9.0%.

**GDP estimate refinement**

Concurrently, the gross domestic product (GDP) estimate has been refined. The GDP decreased by 3.4%, q-o-q, in the Q1 2020 and in the y-o-y comparison it was 2.0% down. For the time series of GDP resources and uses see: <https://www.czso.cz/csu/czso/hdp_ts>.

In accordance with the revision policy of the CZSO, annual national accounts have been revised for 2017, 2018 and 2019; including benchmark revision. For more information see: <http://apl.czso.cz/pll/rocenka/rocenka.indexnu>. Related to that, relevant quarterly outputs have been also harmonised.

1 Seasonally non-adjusted piece of data.

All terms are in terms of national accounts; for explanations of terms written in **bold italics** see: <https://apl.czso.cz/nufile/Definitions.pdf>.

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Used data sources updated as at: 24 June 2020

Related CZSO website: <https://www.czso.cz/csu/czso/quarterly-national-accounts-gdp-resources-and-uses-and-gdp-preliminary-estimate>

Next Release will be published on: 2 October 2020 (Quarterly Sector Accounts for the second quarter of 2020)

*Data of quarterly sector accounts are seasonally adjusted unless otherwise stated.*

*The news releases of Eurostat on quarterly sector accounts are published later. The latest published information for the fourth quarter of 2019 is available at:*

https://ec.europa.eu/eurostat/web/products-press-releases/-/2-07042020-AP,

https://ec.europa.eu/eurostat/web/products-press-releases/-/2-07042020-BP,

https://ec.europa.eu/eurostat/web/products-press-releases/-/2-29042020-AP.

*Quarterly sector accounts data are published on the CZSO website in the tables of Transactions in Products and Distributive Transactions by Sector:* <http://apl.czso.cz/pll/rocenka/rocenkavyber.kvart_qsa?mylang=EN&oblast=@RU>

*and Quarterly Non-financial Sector Accounts (Current and Capital Accounts):*

<http://apl.czso.cz/pll/rocenka/rocenkavyber.kvart_qsa_mat?mylang=EN&oblast=@RU>