7 October 2020

Industrial production decreased by 5.5%

Industry – August 2020

In August, working day adjusted industrial production decreased in real terms (at constant prices) by 5.5%, year-on-year (y-o-y). Seasonally adjusted industrial production decreased by 0.9%, month-on-month (m-o-m). The value of new orders decreased by 9.8%, y-o-y.

**Industrial production1)** decreased in August 2020 in real terms (at constant prices) by 0.9%, m-o-m. In the year-on-year comparison, it decreased by 5.5%. The following economic activities contributed the most to the y-o-y change of industrial production: manufacture of motor vehicles, trailers and semi-trailers (contribution −1.5 percentage point (p. p.), drop by 8.1%), manufacture of machinery and equipment (contribution −1.0 p. p., drop by 12.5%), and manufacture of fabricated metal products (contribution −0.8 p. p., drop by 7.5%). Industrial production increased in the following economic activities: other manufacturing (contribution 0.2 p. p., growth by 9.5%), manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials (contribution 0.08 p. p., growth by 3.9%), and manufacture of wearing apparel (contribution 0.06 p. p., growth by 10.1%).

**Sales from industrial activity at current prices2)** decreased by 7.2%, y-o-y, in August 2020. Direct export sales of industrial enterprises decreased at current prices by 9.8%. Domestic sales, which include also indirect export via non-industrial enterprises decreased at current prices by 3.7%.

The value of **new orders2)** in surveyed industrial CZ-NACE activities decreased by 9.8%, y-o-y, in August 2020. Non-domestic new orders decreased by 11.1%, while domestic new orders decreased by 6.6%. The y-o-y decrease of new orders in total was contributed to by the following CZ-NACE divisions: manufacture of motor vehicles, trailers and semi-trailers (contribution −5.0 p. p., drop by 12.0%), manufacture of fabricated metal products (contribution −1.17 p. p., drop by 9.7%), and manufacture of machinery and equipment (contribution −1.15 p. p., drop by 11.2%). New orders increased in manufacture of computer, electronic and optical products (contribution 0.2 p. p., growth by 2.1%), and manufacture of wearing apparel (contribution 0.1 p. p., growth by 11.4%).

The **average registered number of employees3)** in industry decreased in August 2020 by 4.1%, y-o-y. Their **average gross monthly nominal wage** increased in August 2020 by 2.0%, y-o-y.

According to data released by Eurostat, working day adjusted **industrial production in the EU27 in July 2020** decreasedby 7.3%, y-o-y. According to a preliminary release calendar, Eurostat will release data for August 2020 on 14 October 2020.

*Notes:*

1)The year-on-year development of industrial production is adjusted for working days unless otherwise stated. Month-on-month or quarter-on-quarter rates are also seasonally adjusted. Contributions to an increase or to a decrease are calculated from data that are adjusted for working days. August 2020 had one working day less than August 2019.

2)The year-on-year development of sales at current prices and the value of new orders are not adjusted.

3)Indicators related to employment in industry apply to the whole population of enterprises the principal (prevailing) activity of which is industry. The indicator of the registered number of employees does not include persons working under various contracts for work, working owners of enterprises, and cooperating household members, who do not have contracts of employment. The piece of data on the registered number of employees in industry also excludes agency workers, who have contracts of employment within economic activities of services (CZ-NACE 78.2).

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*End of data collection: 1 October 2020*

*Related outputs: time series* <https://www.czso.cz/csu/czso/pru_ts>

*Next News Release will be published on: 6 November 2020*

Annexes:

Table 1 Industrial production (year-on-year indices – IPI, calendar days adjusted)

Table 2 Sales and new orders in industry (year-on-year indices)

Chart 1 Industrial production (base indices)

Chart 2 Industrial production (year-on-year indices)

Chart 3 Industrial production index – international comparison (base indices, seasonally adjusted)