8 February 2021

Industrial production decreased by 8.0% in 2020

Industry – December 2020

In December, working day adjusted industrial production increased in real terms by 0.5%, year-on-year (y-o-y). Seasonally adjusted industrial production increased by 0.2%, month-on-month (m-o-m). The value of new orders increased by 11.2%, y-o-y.

In 2020, industrial production decreased by 8.0%, y-o-y. The value of new orders was by 8.0% lower. Employment decreased by 3.4% and the average wage increased by 1.9%.

**Industrial production1** increased in December 2020 in real terms by 0.2%, m-o-m. In the year-on-year comparison, it increased by 0.5%. The following economic activities contributed the most to the y-o-y increase of industrial production: manufacture of motor vehicles, trailers and semi-trailers (contribution +2.3 percentage point (p. p.), growth by 14.9%), manufacture of rubber and plastic products (contribution +0.4 p. p., growth by 7.3%), and manufacture of chemicals and chemical products (contribution +0.3 p. p., growth by 10.6%). Industrial production decreased in the following economic activities: repair and installation of machinery and equipment (contribution −0.8 p. p., decrease by 14.9%), manufacture of computer, electronic and optical products (contribution −0.5 p. p., decrease by 12.6%), and manufacture of machinery and equipment (contribution −0.5 p. p., decrease by 5.0%).

**Sales from industrial activity at current prices2** increased by 8.1%, y-o-y, in December 2020. Direct export sales of industrial enterprises increased at current prices by 13.7%. Domestic sales, which also include indirect export via non-industrial enterprises increased at current prices by 1.8%.

The value of **new orders2** in surveyed industrial CZ-NACE activities increased by 11.2%, y-o-y, in December 2020. Non-domestic new orders increased by 13.1%, while domestic new orders increased by 7.2%. The y-o-y increase of new orders in total was the most contributed to by the following CZ-NACE divisions: manufacture of motor vehicles, trailers and semi-trailers (contribution +6.1 p. p., growth by 17.4%), manufacture of fabricated metal products (contribution +1.4 p. p., growth by 11.5%), and manufacture of basic metals (contribution +1.3 p. p., growth by 26.4%). New orders decreased in manufacture of electrical equipment (contribution −0.2 p. p., decrease by 1.5%) and manufacture of wearing apparel (contribution −0.02 p. p., decrease by 2.1%).

The **average registered number of employees3** in industry decreased in December 2020 by 3.5%, y-o-y. Their **average gross monthly nominal wage** increased in December 2020 by 6.0%, y-o-y.

According to data released by Eurostat, working day adjusted **industrial production in the EU27 in November 2020** decreasedby 0.4%, y-o-y. According to a preliminary release calendar, Eurostat will release data for December 2020 on 12 February 2021.

**Industry in the fourth quarter of 2020**

Seasonally adjusted **industrial production1** in the Q4 2020 increased by 3.8% compared to the Q3 2020. In the year-on-year comparison, it increased by 0.8%.

**Sales from industrial activity** **at current prices2** were higher by 3.6%, y-o-y, in the Q4 2020. Direct export sales of industrial enterprises increased at current prices by 8.1%. Domestic sales, which also include indirect export via non-industrial enterprises, decreased at current prices by 2.0%.

The value of **new orders2** in selected industrial CZ-NACE activities increased by 5.5%, y-o-y, in the Q4 2020. Non-domestic new orders increased by 6.6%, while domestic new orders increased by 3.3%.

The **average registered number of employees3** in industry decreased by 3.8%, y-o-y, in the Q4 2020. Their **average gross monthly nominal wage** increased by 4.0%, y-o-y, in the Q4 2020.

**Industry in 2020**

In 2020, **industrial production1** decreased by 8.0%, y-o-y. The following contributed the most to the y-o-y change of industrial production: manufacture of motor vehicles, trailers and semi-trailers (contribution −2.3 p. p., decrease by 12.3%), manufacture of machinery and equipment (contribution −1.0 p. p., decrease by 12.3%), and manufacture of fabricated metal products (contribution −1.0 p. p., decrease by 9.2%). Industrial production increased in manufacture of paper and paper products (contribution +0.06 p. p., growth by 4.1%), manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials (contribution +0.04 p. p., growth by 2.1%), and manufacture of basic pharmaceutical products and pharmaceutical preparations (contribution +0.03 p. p., growth by 2.6%).

**Sales from industrial activity at current prices2** were lower by 6.9%, y-o-y, in 2020. Direct export sales of industrial enterprises decreased at current prices by 6.7%. Domestic sales, which also include indirect export via non-industrial enterprises, decreased at current prices by 7.0%.

The value of **new orders** in selected industrial CZ-NACE activities decreased by 8.0%, y-o-y, in 2020. Non-domestic new orders decreased by 7.9%, while domestic new orders decreased by 8.1%.

The **average registered number of employees3** in industry decreased by 3.4%, y-o-y, in 2020. Their **average gross monthly nominal wage** increased in 2020 by 1.9%, y-o-y.

*Notes:*

1The 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. December 2020 had two working days more than December 2019.

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

3Indicators 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 (an agreement on work performance and an agreement on work activity), 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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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)