6 February 2024

Industrial production decreased by 0.4% in 2023

Industry – December 2023

Industrial production decreased in real terms by 0.7%, year-on-year (y-o-y), in December. In the month-on-month (m-o-m) comparison, it was by 2.8% higher. The value of new orders increased by 0.9%, y-o-y.

*“Industrial production was by 0.4% lower, year-on-year, in 2023. Decreases in the following industries (economic activities) considerably contributed to that result: manufacture of other non-metallic mineral products and manufacture of basic metals. Compared to 2022, also production of electricity decreased. Even a recovery in manufacture of motor vehicles, trailers and semi-trailers and in manufacture of other transport equipment was not able to turn an overall decrease,”* Radek Matějka, Director of the Agricultural and Forestry, Industrial, Construction, and Energy Statistics Department of the Czech Statistical Office (CZSO), says. Also the value of new industrial orders decreased, year-on-year, namely by 1.7%.

**Industrial production** was in real terms by 2.8% higher, m-o-m, in December 2023. In the y-o-y comparison, it decreased by 0.7%. The following economic activities (industries) contributed the most to a slight decrease: electricity, gas, steam and air conditioning supply (in which mainly longer planned shutdowns in power plants were reflected), repair and installation of machinery and equipment (in which the development was strongly influenced by an extraordinarily high comparison basis from the previous year 2022), and manufacture of other non-metallic mineral products (in which production of glass and building materials continued do decrease). Similarly as in other months of the second half of 2023, production mainly increased in manufacture of motor vehicles, trailers and semi-trailers (by 11.8%) and in manufacture of other transport equipment (by 34%). Manufacturers of computer, electronic and optical products were also successful in December.

*“Last month of 2023, industry ended up virtually on the same level as in December 2022. Production decreased very slightly, year-on-year, whereas the value of new industrial orders increased in a very moderate way. Automotive industry was a driving force of both production and orders. The decrease was contributed to the most by production of electricity; as for orders, it was due to a deeper slump in manufacture of basic metals,”* Veronika Doležalová, Head of the Industrial Statistics Unit of the CZSO, says.

The value of **new orders** at current prices in surveyed industrial CZ-NACE activities increased by 0.9%, y-o-y, in December 2023. Non-domestic new orders increased by 1.5%, y-o-y; domestic new orders decreased by 0.2%. The value of new orders increased, month-on-month, by 0.1%. Compared to December 2022, the highest increase of new orders was in manufacture of motor vehicles, trailers and semi-trailers, namely by 12.8%. However, the overall development was influenced by over a quarter slump of orders in manufacture of basic metals; the value of new orders in manufacture of computer, electronic and optical products decreased by a tenth, year-on-year, and demand for products of chemical industry continued to decrease.

The **average registered number of employees** in industry decreased by 2.2%, y-o-y, in December 2023. Their average gross monthly nominal wage increased by 7.7%, y-o-y.

According to data released by Eurostat, industrial production in the EU27 decreased by 5.8%, year-on-year, in November 2023. The biggest year-on-year decrease was recorded by Ireland (by 30.4%) and Belgium (by 11.6%). German industry decreased by 4.9%. On the other hand, the following increased the most: Danish industry (by 14.4%) and Croatian industry (by 4.8%). Performance of the Czech industry decreased by 2.7%. In terms of economic activities (industries), manufacture of computer, electronic and optical products decreased the most in the EU27 (by 29.3%) and the highest growth was recorded by manufacture of other transport equipment (by 6.5%).

For more detailed information on the development of industrial production in the year 2023, see the [*Supplementary information to the News Release on Industry*](https://www.czso.cz/documents/11350/189570846/apru020624_komentar.pdf).

\* \* \*

Starting from the news release with results for January 2024, there will be a new base period for short-term statistics. Besides the change of the base period at fixed-base indices (that will be newly compared to the average of the year 2021 instead of the average of 2015), also the weighting scheme of the year 2021 will be used. Recalculated time series of indicators will be available since the year 2000.

Notes:

December 2023 had by two working days less than December 2022.

The year-on-year development of all indicators is published after having been adjusted for the influence of the number of working days. Month-on-month or quarter-on-quarter rates have also been seasonally adjusted. Contributions to an increase or to a decrease have been calculated from data that had been adjusted for the influence of working days.

Methodology: <https://www.czso.cz/csu/czso/pru_m>

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*Method of data acquisition: direct survey of the CZSO (*Prům 1–12*)*

*End of data collection: 31 January 2024*

*Related outputs: time series in the* [*Public database, the Industry chapter*](https://vdb.czso.cz/vdbvo2/faces/en/index.jsf?page=statistiky&katalog=30835)

*international comparison in EU countries:* [*Eurostat*](https://ec.europa.eu/eurostat/web/short-term-business-statistics/publications)

*Next news release will be published on: 15 March 2024*

Annexes:

Supplementary information to the News Release on Industry

Table 1 Industrial production (year-on-year indices)

Table 2 New orders in industry (year-on-year indices)

Chart 1 Industrial production index (base indices)

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

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

Chart 4 Industrial production index – contributions of economic activities to the y-o-y change

Chart 5 New orders in industry – contributions of economic activities to the y-o-y change