7 August 2023

Growth rate of industrial production slackened

Industry – June 2023

Industrial production increased in real terms by 0.9%, year-on-year (y-o-y), in June. In the month-on-month (m-o-m) comparison, it was by 0.9% higher. The value of new orders decreased by 5.8%, y-o-y.

**Industrial production** in June 2023 was in real terms by 0.9% higher, m-o-m. In the year-on-year comparison, it increased by 0.9%. *“The growth rate of industrial production has been gradually decreasing. Even an increase in production of motor vehicles and their components did not outweigh a decreasing trend in many other economic activities of industry, for example, in mining and quarrying and in manufacture of basic metals,”* Radek Matějka, Director of the Agricultural and Forestry, Industrial, Construction, and Energy Statistics Department of the Czech Statistical Office (CZSO), says. As in the previous months, production decreased, year-on-year, in majority of economic activities of industry. A double-digit decline in production, year-on-year, was recorded in mining and quarrying (mainly of brown coal) and in electricity, gas, steam and air conditioning supply (mainly brown coal power plants), further in printing and reproduction of recorded media, manufacture of other non-metallic mineral products, manufacture of furniture, and in manufacture of basic metals. Contrarily, manufacture of other transport equipment recorded a considerable year-on-year increase thanks to completions of long-term orders.

The value of **new orders** at current prices in surveyed industrial CZ-NACE activities decreased by 5.8%, y-o-y, in June 2023. Non-domestic new orders decreased by 7.6%, y-o-y; domestic new orders dropped by 1.9%. The value of new orders in industry increased by 2%, month-on-month. *“The year-on-year decrease was mainly influenced by a higher comparison basis of last year in manufacture of motor vehicles, trailers and semi-trailers. The value of new orders also continued to decrease in manufacture of basic metals, metal-working industry, and chemical industry,”* Iveta Danišová from the Industrial Statistics Unit of the CZSO, says. New orders only increased, compared to June 2022, in manufacture of machinery and equipment, manufacture of basic pharmaceutical products and pharmaceutical preparations, manufacture of electrical equipment, and in manufacture of other transport equipment.

The **average registered number of employees** in industry decreased by 1.9%, y-o-y, in June 2023; their average gross monthly nominal wage increased by 9.1%, y-o-y.

According to data released by Eurostat, industrial production in the EU27 decreased by 1.8%, year-on-year, in May 2023. The biggest y-o-y decrease was recorded by Ireland (by 16.2%) and Estonia (by 12.8%). Slovak industry dropped by 4.9%. On the other hand, industry of Malta increased the most (by 12.2%). Czech industry increased by 1.4%, performance of German industry increased by 0.9%.

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For more detailed information on the development of industrial production in the first half-year of 2023 see [the *Supplementary information to the News Release on Industry*](https://www.czso.cz/documents/11350/189570860/apru080723_komentar.pdf).

Notes:

June 2023 had the same number of working days as June 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 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 July 2023*

*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: 6 September 2023*

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